



# The Corporation of the Town of Milton

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Report To: Council

From: Glen Cowan, Chief Financial Officer / Treasurer

Date: February 9, 2026

Report No: ES-001-26

Subject: 2026 Halton Court Services Business Plan and Budget

**Recommendation:** THAT the 2026 Business Plan and Budget for Halton Court Services (attached as Appendix A), including the transfers to/from reserve as presented, be approved.

## EXECUTIVE SUMMARY

- The 2026 Business Plan and Budget for Halton Court Services (HCS) reflects increases in both expenditures (5.8%) and revenues (6.0%) relative to 2025. The 2026 net budget of \$2.00 million is expected to result in a distribution to Milton of \$0.176 million.

## REPORT

### Background

In 2001 the administration of the Provincial Offences Act (POA) was transferred from the Province to the municipalities in the Region of Halton. At that time the following occurred:

1. The establishment of a Joint Management Board (comprised of the CAO's from the Halton municipalities including the Region) to oversee the management and operation of HCS.
2. An agreement on the funding formula whereby 50% of the net revenues generated by HCS are allocated to the Region of Halton. The remaining 50% of the net revenues are divided among local municipalities based on annual weighted regional assessment rates.

In 2007, the City of Burlington was named the Service Provider on behalf of HCS as part of the implementation of a two phase streamlining initiative, now referred to as the Growth Management Plan (GMP). The GMP along with the business plan and budget is reviewed annually by the Area Treasurers and the Joint Management Board. Milton Council policy number 90 outlines the Town's role as an equal partner with the Halton Court Services -



## Background

Provincial Offences Office. That policy, along with the agreement with the municipal partners, includes a requirement for the business plan and budget to be approved by each Municipality in Halton on an annual basis.

## Discussion

The 2026 Budget and Business Plan was developed by HCS staff in 2025 based on the mid-year results available for 2025. The budget was reviewed and approved by the Area Treasurers and the Joint Management Board.

The 2026 Budget and Business Plan is included in full detail as Appendices A. Notable points include but are not limited to:

- Gross revenue for HCS in 2026 is budgeted at \$9.64 million as compared to the \$9.10 million budgeted for 2025.
- Total expenditures in 2026 are budgeted at \$7.60 million compared to the \$7.18 million budgeted for 2025.
- The 2026 net budget of \$2.00 million is expected to result in a distribution to Milton of \$0.176 million.

## Other Updates

Other updates provided in Appendix A (in Section 9) include an update on the justice of the peace resources, as well as the scheduling of court dates for Part I charges.

## Financial Impact

The projected distribution from HCS to the Town of Milton for 2026 is \$176,143. This amount has already been reflected in the Town's 2026 Budget and Business Plan.

Respectfully submitted,

Glen Cowan  
Chief Financial Officer / Treasurer

For questions, please contact: Glen Cowan

Phone: Ext. 2151

## Attachments

Appendix A: Halton Court Services 2026 Budget and Business Plan



# The Corporation of the Town of Milton

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Approved by CAO  
Andrew M. Siltala  
Chief Administrative Officer

## Recognition of Traditional Lands

The Town of Milton resides on the Treaty Lands and Territory of the Mississaugas of the Credit First Nation. We also recognize the traditional territory of the Huron-Wendat and Haudenosaunee people. The Town of Milton shares this land and the responsibility for the water, food and resources. We stand as allies with the First Nations as stewards of these lands.

**ONTARIO COURT OF JUSTICE  
PROVINCIAL OFFENCES OFFICE**

**HALTON COURT SERVICES**

**2026 BUSINESS PLAN AND  
BUDGET**

**The Corporation of the City of Burlington  
The Corporation of the Town of Halton Hills  
The Corporation of the Town of Milton  
The Corporation of the Town of Oakville  
The Regional Municipality of Halton**

**September 2025**

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## **RECOMMENDATIONS**

1. Approve the 2026 Halton Court Services budget as presented.
2. Write off defaulted fines totaling \$22,179 that have accumulated during 2025 where it has been determined there are no viable means of collection.
3. Contribute \$50,000 from net revenues to the Capital Reserve Fund during 2026 to ensure that requirements of the Reserve Fund Policy are maintained.

## **AREA TREASURER REQUESTS**

1. Capital asset information in advance of the 2027 budget package, to assess capital transfer and validity of \$300k minimum balance.
2. To circulate final budget to AT after approval by JMB, scheduled for November 26, 2025.

## OVERVIEW OF 2025 PERFORMANCE

### 1. BUDGET PERFORMANCE

#### Revenues to End of June

The Municipal Partners had budgeted gross revenues of \$9.1 million for 2025. The chart below summarizes results by end of June and projections for the remainder of the year.

There is an expected increase of approximately 7.8% in net revenue in 2025.

<b>COMPARISON OF OVERALL PERFORMANCE TO BUDGET for the year ending December 31, 2025</b>					
	<b>2025 Budget</b>	<b>Actual June 30/25</b>	<b>Actual % of Budget</b>	<b>Projection Dec 31/25</b>	<b>Projection % of Budget</b>
Gross Revenue	(\$9,099,780)	(\$5,183,151)	57.0%	(\$9,383,806)	<b>103.1%</b>
Operations	\$7,175,043	\$3,716,629	51.8%	\$7,309,135	<b>101.9%</b>
<b>Net Revenue</b>	<b>(\$1,924,737)</b>	<b>(\$1,466,522)</b>	<b>76.2%</b>	<b>(\$2,074,671)</b>	<b>107.8%</b>

<b>COMPARISON OF 2026 BUDGET TO 2025 BUDGET</b>						
	<b>REVENUE</b>			<b>EXPENSES</b>		
	<b>2025 Budget</b>	<b>2026 Budget</b>	<b>% Difference</b>	<b>2025 Budget</b>	<b>2026 Budget</b>	<b>% Difference</b>
Administration	(\$6,759,280)	(\$7,270,818)	7.6%	\$5,421,541	\$5,790,141	<b>6.8%</b>
Collections	(\$2,340,500)	(\$2,371,000)	1.3%	\$593,297	\$644,960	<b>8.7%</b>
Prosecution	N/A	N/A	0.0%	\$1,160,210	\$1,156,226	<b>-0.3%</b>
<b>TOTAL</b>	<b>(\$9,099,780)</b>	<b>(\$9,641,818)</b>	<b>6.0%</b>	<b>\$7,175,038</b>	<b>\$7,591,327</b>	<b>5.8%</b>

### 2. OPERATIONAL PERFORMANCE

#### Provincial Offences Charges

Charge volumes are entirely driven by enforcement agencies and their initiatives; these charge volumes are the main influence on the revenues that are generated through HCS. At the end of Q2 2025 there were 30,370 charges (58%) filed of the projected 52,000 total for 2025.

Therefore, the current projection for Q4 2025 is that charges may reach 60,000 (115% of projected total).

The following chart provides the trend in number of filed charges since 2020 and includes totals for Q2 2025 and projected totals for the end 2025:

	2020	2021	2022	2023	2024	2025 Q2
<b>PART I</b>	48,269	33,477	30,486	29,630	29,154	22,616
<b>PART III</b>	3,054	2,972	2,562	2,562	4,190	2,428
<b>RLC</b>	9,761	17,993	11,589	13,762	13,432	5,326
<b>TOTAL</b>	<b>69,650</b>	<b>61,084</b>	<b>54,442</b>	<b>47,977</b>	<b>46,776</b>	<b>30,370</b>

The following chart provides the number of charges by month that were refused for filing with the reasons for refusal through Q2 2025:

	REASON					Total
	Late Filing	Date Error	Young Offender	Wrong Juris	Old PON/VOID/ Not original certificate of offence	
JAN	21	6	0	0	0	
FEB	10	11	0	0	0	
MAR	36	19	0	0	0	
APRIL	12	17	0	0	0	
MAY	18	18	0	0	0	
JUNE	8	13	0	0	1	
<b>TOTAL Jan - June 2025</b>	<b>105</b>	<b>84</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>190</b>

The following charts provide charge volumes for both Part 1 and Part 3 by enforcement agency through Q2 2025.

<b>PART 1</b>	JAN	FEB	MAR	APR	MAY	JUN
By-laws	5	6	4	10	11	10
OTHER ENF.	9	14	21	28	28	21
Halton Regional Police	2701	1848	3085	3530	3312	3243
MTO	361	294	199	328	224	394
OPP	363	258	600	545	646	550
Red Light Camera	1321	789	298	687	1317	914
<b>Totals</b>	<b>4760</b>	<b>3209</b>	<b>4207</b>	<b>5128</b>	<b>5538</b>	<b>5132</b>
<b>PART 3</b>	JAN	FEB	MAR	APR	MAY	JUN
By-laws	11	51	44	47	65	40
OTHER ENF.	26	12	19	25	20	41
Halton Regional Police	218	233	209	410	268	271
MTO	0	10	3	29	18	7
OPP	69	17	55	68	50	96
<b>Totals</b>	<b>324</b>	<b>323</b>	<b>330</b>	<b>579</b>	<b>421</b>	<b>455</b>

### 3. AUDITS

#### External Audit

KPMG performed an audit of HCS for the period ended December 31, 2024. There were no items of concern to report to the Partnership by way of an auditors' management letter. KPMG maintains a practice of issuing qualified opinions for all its POA court clients due to the inability to review cash procedures at other POA courts accepting fine payments on behalf of HCS, and to review controls of the provincial ICON system utilized by all POA courts across the province.

### 4. REVENUE STABILIZATION FUND

Following the request of the Area Treasurers, a Municipal Partner Revenue Stabilization Fund (MPRSF) was created in early 2014 to assist the partners in protecting against the impact of volatility in fine revenue, and to provide a source of funding to stabilize revenue sources annually, including the impacts related to the new court facility. Per policy, an annual review of the MPRSF is carried out by the Area Treasurers.

#### Flat-Lining Net Revenue Distribution

Net revenue surplus was transferred to the MPRSF between 2013 and 2017. Interest is allocated to the MPRSF on an annual basis.

The Area Treasurers directed that contributions to the MPRSF end as of 2018 given the healthy balance of the MPRSF. Due to the budgeted revenue not being reached during the pandemic, draws were made on the reserve significantly reducing its balance. In 2021, the JMB directed to only distribute to the Partners the actual net revenue earned from operations going forward. The balance in the Stabilization Reserve Fund is \$812,715 at the beginning of 2025.

<b>Stabilization Fund</b>			
<b>Year</b>	<b>Use of Funds</b>	<b>Interest (net of Admin Fee)</b>	<b>Balance</b>
<b>Balance Forward</b>			\$812,715
<b>2025*</b>	\$0	\$16,767	\$829,482
<b>2026</b>	\$0	\$17,119	\$846,602
<b>2027</b>	\$0	\$17,479	\$864,080
<b>2028</b>	\$0	\$18,146	\$882,226
<b>2029</b>	\$0	\$18,527	\$900,753

## 5. REVENUE SHARING

According to the established revenue-sharing agreement, the Region receives 50% while the Municipal Partners receive a percentage of the 50% balance based on assessment rates.

Following is a five-year overview of net revenue distribution since 2021 including the estimated annual distribution for 2025:

<b>Historical Annual Revenue Sharing % Based on Tax Assessment</b>					
	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
Burlington	15.44%	15.32%	15.20%	15.08%	14.95%
Halton Hills	4.60%	4.57%	4.54%	4.52%	4.48%
Milton	8.55%	8.64%	8.72%	8.78%	8.81%
Oakville	21.43%	21.48%	21.55%	21.62%	21.77%
Region of Halton	50.00%	50.00%	50.00%	50.00%	50.00%
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

<b>Historical Annual Revenue Distribution to Partnership</b>					
	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
Burlington	299,980	296,601	373,252	342,376	302,587
Halton Hills	89,430	88,438	111,484	102,617	90,705
Milton	166,029	167,293	214,006	199,303	178,272
Oakville	416,627	415,752	529,183	490,786	440,771
Region of Halton	972,066	968,085	1,227,680	1,135,083	1,012,336
<b>TOTAL</b>	<b>\$1,944,132</b>	<b>\$1,936,169</b>	<b>\$2,455,605</b>	<b>\$2,270,165</b>	<b>\$2,024,671</b>

\*2025 budget to be realized

### Overall Revenues

The Municipal Partners are projecting gross revenues based on current trends and although population continues to grow at a fair rate across Halton, the number of charges filed has not been reflected in the population growth for the last several years. However, it was anticipated that 2025 would have charge volumes at approximately 52,000 which has now been increased to 60,000 charges based on the 30,370 charges at the end of Q2. However, enforcement agency initiatives cannot be predicted and can impact charge volumes both positively and negatively. Staff are optimistic for 2026 and are projecting charge volumes to be approximately

60,000 charges. Gross revenue for HCS in 2026 is budgeted at **\$9.6 million** as compared to the **\$9.1 million** originally budgeted for during 2025.

Total expenditures in 2026 are budgeted at **\$7.6 million** compared to the **\$7.2 million** originally budgeted for 2025.

***See Appendix A for a copy of the overall 2026 POA Budget.***

**Recommendation #1: *Approve the 2026 Halton Court Services budget as presented.***

## **6. WRITING-OFF OF UNCOLLECTABLE FINES**

In accordance with the Write-Off Policy, the Municipal Partners are seeking approval from the Area Treasurers and the Joint Management Board to write-off those defaulted fines that have accumulated during 2025 where it has been determined there are no viable means of collection. Write-offs scheduled during 2025 will total approximately 149 cases with a total value of approximately \$22,179.

**Recommendation #2: *Write off defaulted fines totaling \$22,179 that have accumulated during 2025 where it has been determined there are no viable means of collection.***

## **7. CAPITAL RESERVE FUND**

### **Expenditures During 2025**

City of Burlington IT Department performed lifecycle maintenance to the Network Infrastructure that supports the HCS Building in 2025 at a cost of \$7500. This expenditure was not anticipated when preparing the 2025 Budget and Business Plan, however the expense was required in 2025 to maintain essential operations and will be required every 60 months.

### **Contribution During 2026**

The Municipal Partners regularly conduct an annual review of the Capital Reserve Fund to ensure that future capital cost requirements are reflected and that the required minimum balance of \$300,000 is maintained. The Municipal Partners are recommending that the minimum contribution of \$50,000 continue to be made to the Capital Reserve Fund during 2026.

**Reserve Fund Forecast**

Following is the Capital Budget Forecast over the next five years:

<b>Capital Budget Forecast</b>				
<b>Year</b>	<b>Requirements</b>	<b>Use of Funds</b>	<b>Annual Contributions (Including Interest )</b>	<b>Projected Year-End Balances</b>
	Balance Forward			<b>\$460,104</b>
<b>2025</b>	Network Infrastructure Supporting the HCS Building	(\$7,500)	\$59,002	\$511,607
<b>2026</b>	None		\$60,032	\$571,639
<b>2027</b>	None		\$61,233	\$632,871
<b>2028</b>	Laptop renewal	(\$99,200)	\$62,457	\$596,129
<b>2029</b>	Courtroom desktop renewal	(\$25,600)	\$61,923	\$632,451

***Recommendation #3: Contribute \$50,000 from net revenues to the Capital Reserve Fund during 2026 to ensure that requirements of the Reserve Fund Policy are maintained.***

**9. EMERGING ISSUES**

**1. Justice of the Peace Resources**

In May 2025, 42 Justice of the Peace appointments were made for the province, with 10 of those being assigned to the Central West Region. Additional sittings in 2026 may be possible as training is completed. As of September 1, 2025 a Justice of the Peace transferred from Brampton to Halton, fulfilling the compliment of 10 Justice of the Peace assigned to proceedings in Halton, including the Criminal Courts. Additionally, the Regional Senior Justice of the Peace (RSJP) has commenced a new process for monthly reporting of time to trial stats and providing additional blitz court dates as needed to address scheduling needs.

**2. Current Scheduling**

There are currently approximately 9,205 (last year at this time it was 13,000) Part I charges that require court dates. HCS Administration is currently scheduling charges from June 2025 into December 2025, marking the end of pandemic backlogs and having matters scheduled within six months of the offence date, apart from Ministry of Transportation matters which are currently February 2025 into December 2025. As of September 4<sup>th</sup>, 5 blitz court dates (1 for HCS Prosecution and 4 for MTO Prosecution) have been provided by the RSJP to aid with scheduling needs.

## **APPENDIX A – 2026 OVERALL BUDGET**

**HALTON COURT SERVICES**

**2026 OVERALL POA BUDGET**

26-Sep-25

OVERALL 2025 BUDGET	Projection to Dec 31/25	Expenditures	Cost Element	ADMINISTRATION		PROSECUTION	TOTAL	2026 vs 2025
				Admin/Court Support 461110	Collections 461113	461140		
2,652,905	2,636,814	F/T Salaries	11111	1,630,048	316,543	794,114	2,740,705	
-	26,431	Part-time/Temp	11122	-	-	-	-	
-	-	Overtime	11131	-	-	-	-	
-	1,419	Vacation Pay - PT	11248	-	-	-	-	
463,903	444,227	Fringe benefits - FT/PT	11300	328,676	65,489	154,018	548,183	
254,517	254,472	Additional Benefits - FT/PT	11302	167,486	34,679	71,826	273,991	
27,280	22,345	Professional development	11410	11,530	3,450	11,300	26,280	
11,462	9,544	Employee memberships	11412	1,700	315	9,405	11,420	
<b>3,410,067</b>	<b>3,395,252</b>	<b>Total Human Resources</b>		<b>2,139,440</b>	<b>420,475</b>	<b>1,040,663</b>	<b>3,600,578</b>	5.6%
9,978	9,758	Books and subscriptions	22220	1,100	100	8,975	10,175	
950	902	Meeting expenses	22223	950	-	-	950	
-	-	Special Projects	22226	-	-	-	-	
66,180	64,242	Printing and reproduction	22233	64,180	700	1,000	65,880	
13,400	12,151	General office supplies	22242	11,000	300	1,800	13,100	
51,864	50,901	Hydro/Water/Heat	22511	52,023	-	-	52,023	
3,000	2,701	Furniture and office equipment	37102	3,000	-	-	3,000	
91,762	92,836	Comp Software/Hardware/Maintenance	37105	60,224	9,762	19,650	89,636	
1,700,000	1,675,739	Building facility lease	33115	1,700,000	-	-	1,700,000	
37,805	41,105	IT lines	33150	24,455	6,147	13,244	43,847	
11,300	13,367	Equipment rental	33172	10,900	700	2,250	13,850	
3,500	2,992	Bldg repair and maintenance	33210	3,000	-	-	3,000	
12,316	7,303	Equipment maintenance	33240	6,996	-	-	6,996	
44,360	58,870	Courier/Postage services	33250	49,060	10,600	800	60,460	
21,261	17,444	Telephones/Cell Phones	33253	11,616	1,625	2,643	15,884	
-	-	Corporate Communications	33255	-	-	-	-	
3,600	1,661	Travel Exp/Mileage	33320	600	50	2,200	2,850	
10,000	10,700	External audit	33359	11,000	-	-	11,000	
3,204	3,152	Security/Armoured car services	33366	3,204	-	-	3,204	
97,000	148,272	Interpreters	33367	145,000	-	-	145,000	
418,556	418,556	Cost recoveries	45701	384,263	-	55,761	440,024	
732,350	787,617	Provincial Recoveries	33369	811,000	-	-	811,000	
221,460	271,084	Contract/External services	33450	69,400	190,000	7,240	266,640	
43,130	42,390	Janitorial Services	33467	43,130	-	-	43,130	
5,000	6,000	Court Related Fees	33510	-	4,500	-	4,500	
5,000	4,499	Witness fees	33516	5,000	-	-	5,000	
158,000	177,141	Point of sale-service charges	36194	179,600	-	-	179,600	
-	(7,500)	Reserve Fund offset for expenses	96306	0	0	0	0	
<b>3,764,976</b>	<b>3,913,883</b>	<b>Total Other Expenditures</b>		<b>3,650,701</b>	<b>224,484</b>	<b>115,563</b>	<b>3,990,749</b>	6.0%
<b>7,175,043</b>	<b>7,309,135</b>	<b>TOTAL EXPENDITURES</b>		<b>5,790,141</b>	<b>644,960</b>	<b>1,156,226</b>	<b>7,591,327</b>	5.8%
(400)	(960)	Parking Fees	90852	(1,000)	-	-	(1,000)	
(6,640,000)	(7,068,975)	Fines (Gen)	91122	(7,260,000)	-	-	(7,260,000)	
(2,340,000)	(2,482,150)	Fines (Collections)	91122	-	(2,370,000)	-	(2,370,000)	
100,000	382,496	Bylaws Distributed	91124	210,000	0	-	210,000	
(500)	(967)	External recoveries	91410	-	(1,000)	-	(1,000)	
(2,000)	0	Miscellaneous Revenue	91154	0	0	0	0	
(20,000)	(16,703)	Transcripts	91207	(19,000)	-	-	(19,000)	
(196,880)	(196,547)	Federal subsidy	92705	(200,818)	0	-	(200,818)	
<b>(9,099,780)</b>	<b>(9,383,806)</b>	<b>TOTAL REVENUE</b>		<b>(7,270,818)</b>	<b>(2,371,000)</b>	<b>0</b>	<b>(9,641,818)</b>	6.0%
<b>(1,924,737)</b>	<b>(2,074,671)</b>	<b>Net Operating Budget before Reserve Fund</b>		<b>(1,480,677)</b>	<b>(1,726,040)</b>	<b>1,156,226</b>	<b>(2,050,491)</b>	6.5%
50,000	50,000	Contribution to Reserve Fund	45100	50,000	-	-	50,000	
-	-	Contribution to Stabilization Fund	45100	0	-	-	0	
<b>(1,874,737)</b>	<b>(2,024,671)</b>	<b>NET OPERATING BUDGET</b>		<b>(1,430,677)</b>	<b>(1,726,040)</b>	<b>1,156,226</b>	<b>(2,000,491)</b>	6.7%

2026 Requisitions (Partnership Sharing based on 2025 weighted average assessment)	Region	(1,000,246)
	Burlington	(298,973)
	Halton Hills	(89,622)
	Milton	(176,143)
	Oakville	(435,507)
	<b>Total</b>	<b>(2,000,491)</b>