



Kingston Police

Results to March 31, 2020

Actual Vs. Budget	2020 Three-Month Actual	2020 Three-Month Budget	Variances + Fav / - Unfav	Annual 2020	As a % of Total
Revenues & Recovery	\$472,599	\$1,110,856	-\$638,257	\$4,443,424	
Operating Expenditures					
Salaries and Wages	\$9,270,895	\$9,500,668	\$229,773	\$38,002,670	86.0%
Supplies and Services	\$1,212,645	\$1,477,601	\$264,956	\$5,910,403	13.4%
Contribution to Reserves	\$63,950	\$63,950	\$0	\$255,800	0.6%
Total Operating Costs	\$10,547,490	\$11,042,219	\$494,729	\$44,168,873	100.0%
Net Cost	\$10,074,891	\$9,931,363	-\$143,528	\$39,725,449	
	Deficit	-\$143,528			
	As a percent	-1.45%			

Comments

The total net cost for the three months ending March 31, 2020, of \$10,075K, compared to a budget of \$9,931K, resulted in a deficit of \$144K or 1.45%.

Revenues for the three months ending March 31, 2020, of \$473K, compared to a budget of \$1,111K, provided an unfavourable variance of \$638K.

Revenues reflect the following variances from budget.

- ▶ Grants are \$626K unfavourable, since no funding has yet been recorded; it is forecasted that grants will be unfavourable by \$368K due to:
 - the approved Court Security and Prisoner Transportation Grant was reduced by 8.75% or \$130K for 2020, and
 - funding formerly received under the Policing Effectiveness and Modernization Grant was reduced by 25% or \$238K for 2020 under the new provincial grant scheme,
 but both grants were budgeted in 2020 at 2019 actual levels.
- ▶ Alarm licensing revenue is \$10K favourable due to increased activity and monitoring in the first quarter.
- ▶ Paid duty is \$23K unfavourable, reflecting less activity.
- ▶ Expense recovery is \$48K favourable due to unbudgeted recoveries carried forward from 2019 related to various grants received but not spent.
- ▶ Other revenues, such as background checks and auction proceeds, are \$47K unfavourable and have been impacted by the pandemic.

Operating expenditures for the three months ending March 31, 2020, of \$10,547K, compared to a budget of \$11,042K, provided a favourable variance of \$495K.

This may be attributed to the following.

- ▶ Salaries and wages provided a favourable variance of \$230K, which reflects:
 - overtime is unfavourable by only \$2K, which includes:
 - \$22.5K incurred supporting patrol due to staff shortages related to WSIB claims and sick leaves; and
 - \$5.3K incurred over St. Patrick's Day and the preceding weekend that was not budgeted (compared to \$45K recorded in 2019);
 - base wages are favourable by \$335K, reflecting staff vacancies;
 - part-time wages are unfavourable by \$24K, reflecting backfilling required due to staff vacancies;
 - fringe benefits are unfavourable by \$87K, since statutory benefit costs are higher during the first part of the year; and
 - paid duty is favourable by 8K, since there have been fewer demands this year to date.
- ▶ Supplies and materials are favourable by \$265K, reflecting the timing of expenses. Notable items are:
 - contracted services are favourable by \$81K, since most annual maintenance is done in the last half of the year;
 - fuel is favourable by \$30K, reflecting lower prices paid than budgeted year to date;
 - the education and training line is favourable by \$56K because most training has been cancelled due to the pandemic;
 - travel is favourable by \$13K due to travel restrictions during the pandemic; and
 - the investigative services line is \$69K favourable because no new projects were recorded in the quarter.

Forecast:

In consideration of the impact of the COVID pandemic and reduced provincial grants, we have forecasted a deficit of \$353,500 as at December 31, 2020.

This forecast reflects the following.

Operational Impacts	Variance	Deficit
Reduced provincial grants	\$368,000	
Horse funding shortfall	\$42,000	
Hiring fourth-class replacements	-\$304,436	\$105,564
Pandemic Impact		
PPE supplies	\$87,755	
Savings on expenses	-\$143,750	
Lost revenues	\$303,931	\$247,936
Forecasted Budget Shortfall 2020		\$353,500