



Kingston Police

Results to September 30, 2020

Actual Vs. Budget	2020 Nine-Month Actual	2020 Nine-Month Budget	Variances + Fav / - Unfav	Annual 2020 Budget	As a % of Total
Revenues & Recovery	\$2,690,931	\$3,332,568	-\$641,637	\$4,443,424	
Operating Expenditures					
Salaries and Wages	\$28,451,599	\$28,502,003	\$50,404	\$38,002,670	86.0%
Supplies and Services	\$3,461,873	\$4,432,802	\$970,929	\$5,910,403	13.4%
Contribution to Reserves	\$191,851	\$191,850	-\$1	\$255,800	0.6%
Total Operating Costs	\$32,105,323	\$33,126,655	\$1,021,332	\$44,168,873	100.0%
Net Cost	\$29,414,392	\$29,794,087	\$379,695	\$39,725,449	
	Surplus	\$379,695			
	As a percent	1.27%			

Comments

The total net cost for the nine months ending September 30, 2020, of \$29,414K, compared to a budget of \$29,794K, resulted in a surplus of \$380K or 1.27%.

Revenues for the nine months ending September 30, 2020, of \$2,691K, compared to a budget of \$3,333K, provided an unfavourable variance of \$642K.

Revenues reflect the following variances from budget.

- ▶ Grants are \$524K unfavourable, reflecting the timing of the reduced CSP Grant and the reduction in the CSPT Grant. Overall it is forecasted that, by year-end, grants will be unfavourable by \$368K due to:
 - the approved Court Security and Prisoner Transportation (CSPT) Grant was reduced by 8.75% or \$130K for 2020; and
 - historical provincial funding was reduced by 25% or \$238K for 2020 under the Community Safety and Policing (CSP) Grant. Grant funding had been budgeted for 2020 at 2019 actual levels.
- ▶ Alarm licensing revenue is \$11K favourable due to increased activity and monitoring.
- ▶ Paid duty is \$15K favourable, reflecting added COVID-related activities.
- ▶ Expense recovery is \$2K favourable and on budget.
- ▶ Background checks are \$152K unfavourable, being impacted by the pandemic.
- ▶ Auction proceeds are \$6K favourable, reflecting a strong used-car market.

Operating expenditures for the nine months ending September 30, 2020, of \$32,105K, compared to a budget of \$33,127K, provided a favourable variance of \$1,022K.

This may be attributed to the following.

- ▶ Salaries and wages provided a favourable variance of \$51K, which reflects:
 - overtime is favourable by \$147K, reflecting a reduction in calls as the pandemic has reduced the calls for service; this also includes: \$23.8K incurred supporting Patrol due to staff shortages related to WSIB claims and sick leaves; \$5.3K incurred over the St. Patrick's Day weekend that was not budgeted (compared to \$45K recorded in 2019); \$43.4K incurred during the Queen's Frosh Week; and \$10.7K incurred during a recent barricaded person incident;
 - base wages are unfavourable by \$89K, reflecting costs recorded for upcoming retirements;
 - part-time wages are unfavourable by \$90K due to reallocation of existing resources during the pandemic;
 - fringe benefits are favourable by \$111K, since statutory benefit costs are higher during the first part of the year; and
 - paid duty is unfavourable by \$28K (there have been increased demands this year to date as reflected in the revenue above).
- ▶ Supplies and materials are favourable by \$971K, reflecting the timing of expenses. Notable items are:
 - the utilities line is favourable by \$43K, reflecting primarily lower electricity usage;
 - fuel is favourable by \$124K, reflecting lower prices paid than budgeted year to date;
 - the education and training line is favourable by \$72K, since most training has been cancelled due to the pandemic;
 - travel is favourable by \$57K due to travel restrictions;
 - the investigative services line is \$121K favourable because no new projects were recorded; and
 - the contracted services line is favourable by \$428K because some projects have been held back while others are skewed to the end of the year.

Forecast:

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

Our hope is to deliver the year-end ahead of this worst-case scenario. We have noticed that revenues from background checks have started up; training costs, fuel costs, and travel costs are trending more favourable than anticipated; and holding back on some projects is covering some of the fiscal challenges presented by the pandemic.