



## Kingston Police

### Public Agenda Information Report

To: Kingston Police Service Board

From: Scott Fraser, Chief of Police  
Scarlet Eyles, Director of Finance

Subject: Operating Budget Status Update as of April 30, 2025

Date: June 12, 2025

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#### Recommendation:

**That** the Operating Budget Status Update as of April 30, 2025, Report Number 25-35 is for information only.

#### Summary:

This information report provides a financial status update of the general operating budget for the Kingston Police as at April 30, 2025. Exhibits to the report provide detailed budget and actual information and resulting variances by revenue and expense with an overall net operating position which reflects 31.81% of the total budget at April 30, 2025. To ensure that net spending remains within the approved budget parameters, staff regularly monitor and review budget variance information. This allows for unanticipated variances to be identified on a timely basis and any necessary corrective action to be taken in response to changing circumstances and conditions.

With respect to the financial results, revenues and expenditures are tracking as expected and/or reflect expected seasonal and timing variances normally experienced year to year. The discussion below provides further information on the general operating revenue and expenditure results to April 30, 2025.

For additional details, quarterly budget status reports are provided to the Kingston Police Service Board and presented during the regular public meetings. Past reports are available on the website and can be accessed through the following link - [PSB Meetings - Kingston Police](#).

## Operating Revenue and Expenditure Results:

With respect to the overall results, the total net cost for the four months ending April 30, 2025 of \$17.2M, compares to a budget of \$54.1M. Gross revenues and expenditures, as reported, show actual revenues of approximately \$2.0M in comparison to a budget of \$5.7M and expenditures of \$19.2M in comparison to a budget of \$59.7M. The table below reflects the net operating information (revenues less expenditures).

	Annual 2025 Budget	Actuals Year to Date	Variance \$	YTD=33.33% Actual to Budget %
<b>Revenues &amp; Recoveries</b>				
Fees, Charges & Other Revenue	(3,427,621)	(1,296,759)	(2,130,862)	37.83%
Provincial Subsidies	(2,224,633)	(748,595)	(1,476,038)	33.65%
<b>Total Revenue &amp; Recoveries</b>	<b>(5,652,254)</b>	<b>(2,045,354)</b>	<b>(3,606,900)</b>	<b>36.19%</b>
<b>Expenditures</b>				
Salaries, Wages & Benefits	51,494,316	16,339,196	35,155,120	31.73%
Materials, Supplies & Fees	3,094,713	1,045,484	2,049,229	33.78%
Contracted Services	4,826,054	1,712,664	3,113,390	35.49%
Transfers to Reserves & Reserve Funds	290,801	143,970	146,831	49.51%
<b>Total Expenditures</b>	<b>59,705,884</b>	<b>19,241,313</b>	<b>40,464,571</b>	<b>32.23%</b>
<b>Net</b>	<b>54,053,630</b>	<b>17,195,960</b>	<b>36,857,670</b>	<b>31.81%</b>

## Revenues

Most revenues are tracking as expected and/or reflect expected seasonal and timing variances in services such as alarm licensing and background checks. There are some favourable revenue projections and other variance clarifications as noted below.

- Provincial grant revenues are \$749K or 33.65%% of the annual budget, resulting in a year-to-date surplus of \$7.1K. This reflects additional funding from the Ministry of Community Safety & Correctional Services for billings related to prisoner transportation.
- Background check revenues are under budget by \$157K at the end of April. The recent cyber incident temporarily limited our ability to provide this service. In addition, we contracted out criminal record checks to other police services to maintain service continuity, which has also impacted expenditures. It should be noted that revenues are typically lower at this time of year due to regular seasonal timing.
- The favourable balance in expenditure recoveries reflects \$122K in additional unbudgeted officer secondment recoveries from the Criminal Intelligence Service Ontario (CISO), supporting regional intelligence, and from Correctional

Service Canada (CSC), supporting the Joint Uncrewed Aerial Vehicles (UAV) and Contraband Interdiction Task Force. These additional revenues are offset with corresponding officer salaries and benefits.

- Payroll experience recovery reflects unbudgeted payroll benefit rebates of \$28K resulting from a reduction in the projected cost of claims. Benefit costs are budgeted annually based on estimated plan premiums.
- Auction proceeds are higher than budgeted, reflecting higher than anticipated proceeds received at the first police auction. In accordance with policy, net proceeds generated from the sale of capital items are transferred to the police capital reserve fund.

## **Expenditures**

Most of the expenditures are trending as expected and/or are consistent with typical timing and other budget variances experienced year to year, such as payroll benefits which are skewed to the first half of the year and paid duty where demand occurs later in the year. Contracted maintenance is typically favourable in the first two quarters as routine maintenance projects occur later in the year. The following information provides further detail of the first quarter variances by expenditure category.

**Salaries and wages** are \$16.3M or 31.73% of the annual budget, resulting in a year-to-date positive variance of approximately \$824K. Significant variances are noted below:

- Full-time wages are underbudget year to date, primarily due to staff vacancies and the timing of new hires; the 2025 budget includes 13 new positions to offset members on long-term absences. In addition, wages are scheduled to increase July 1<sup>st</sup>, skewing the budget in the first part of the year and contributing to the variance observed in the April year-to-date results.
- Part-time wages are unfavourable, reflecting backfill requirements due to full-time staff absences in the reception desk, communications, and court services and records units.
- Payroll benefits are consistent with typical timing which is skewed to the first half of the year as maximum benefit contribution thresholds are typically reached by the third quarter.
- Overtime costs are below budgeted projections by \$99K. Overtime is impacted by the volume of homicides, major critical incidents, traffic fatalities and the overall increase in violent crime coupled with the complexity of investigations.
- Overtime costs to date include \$58K of budgeted costs incurred to police the St. Patrick's Day events within the University District.
- Budget pressures continue to be experienced in absentee costs related to WSIB, other leaves, and accommodations.

**Supplies and services** are \$2.8M or 34.82% of the annual budget, reflecting an unfavourable variance of \$119K. This category includes costs such as uniforms and protective clothing, gasoline and diesel fuel, fleet parts and tires, ammunition, telecommunications, education, and training. Contracted services and contracted maintenance include asset maintenance and support contracts and other service contracts including cleaning services, winter control, and city building maintenance charges. Professional services include legal and consulting services. Notable variances are discussed below.

- Software is overbudget due to the timing of renewal contracts which cover the fiscal year. By year-end, it is projected that software will be within budget.
- The overage in professional services primarily reflects costs related to the cyber incident response, including specialized legal services. Costs related to the restoration and recovery phase of the cyber incident, including the replacement, rebuilding, and upgrading of IT infrastructure to restore operations and ensure future cybersecurity resilience, have been charged to the IT capital budget envelope.
- Investigative services include \$25K of costs to support policing the University District events. These costs primarily reflect bringing reinforcements from other police agencies to provide additional staffing resources. It is anticipated that most costs will be incurred over the third quarter with the homecoming events and return of students in the University District.

**Transfer to Police Equipment Reserve Fund** – the transfer to the Police Equipment Reserve Fund reflects additional funds allocated to the reserve as a result of higher-than-anticipated proceeds earned from the first police auction of the year.

Departments work with finance staff to review variances on a regular basis and look for opportunities to offset cost pressures. Unforeseen circumstances, situations, or activities always present budgetary risk to a police budget such as spikes in crime rates or activities, protests, and unsanctioned gatherings.

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**Appendices:**

Appendix A – Kingston Police – Actual to Budget as at April 30, 2025

	<b>Actuals Year to Date</b>	<b>Annual Budget \$</b>	<b>Variance \$</b>	<b>YTD=33.33% Actual to Budget %</b>
<b>Revenues &amp; Recoveries</b>				
Provincial grants	(748,595)	(2,224,633)	(1,476,038)	33.65%
Alarm licence	(54,131)	(141,736)	(87,605)	38.19%
Payroll experience recovery	(27,730)	-	27,730	0.00%
Pay duty revenue	(32,552)	(154,500)	(121,948)	21.07%
Expenditure recovery	(874,328)	(1,856,385)	(982,057)	47.10%
Sale of photos, maps & reports	(126,058)	(850,000)	(723,942)	14.83%
Donations	(48,625)	(25,000)	23,625	194.50%
Auction proceeds	(748,595)	(2,224,633)	(1,476,038)	33.65%
Contribution from Police Sick				
Leave Reserve Fund	(133,333)	(400,000)	(266,667)	33.33%
<b>Total Revenue &amp; Recoveries</b>	<b>(2,045,354)</b>	<b>(5,652,254)</b>	<b>(3,606,900)</b>	<b>36.19%</b>
<b>Operating Expenditures</b>				
<b>Salaries, Wages &amp; Benefits</b>				
Full-time wages-permanent	10,888,754	35,623,103	24,734,349	30.57%
Part-time wages	490,057	1,325,212	835,155	36.98%
Overtime-regular	464,339	1,686,729	1,222,391	27.53%
Shift premiums & standby	12,131	58,755	46,624	20.65%
Paid duty	13,972	123,600	109,628	11.30%
Honorariums	-	31,510	31,510	0.00%
Payroll allowances	52,050	147,798	95,748	35.22%
Payroll benefits	3,877,097	10,790,484	6,913,387	35.93%
WSIB Premiums	540,797	1,707,125	1,166,328	31.68%
<b>Total Salaries, Wages &amp; Benefits</b>	<b>16,339,196</b>	<b>51,494,316</b>	<b>35,155,120</b>	<b>31.73%</b>
<b>Supplies and Services</b>				
Uniforms & protective clothing	27,293	69,800	42,507	39.10%
Food & nutrition supplies	4,017	35,700	31,683	11.25%
Supplies	99,952	427,075	327,123	23.40%
Fuels & lubricants	119,842	538,968	419,126	22.24%
Software	186,068	355,657	169,589	52.32%
Telecommunications	88,185	312,120	223,935	28.25%
Travel, Education & Training	113,445	599,500	486,055	18.92%
Insurance services	119,328	363,173	243,845	32.86%
Utilities	845	10,500	9,655	8.05%
Professional services	787,296	523,950	(263,346)	150.26%
Investigative services	135,827	653,000	517,173	20.80%
Contracted services	800,688	2,916,662	2,115,974	27.45%
Contracted maintenance	192,143	893,208	701,065	21.51%
Equipment rentals	26,141	59,140	32,999	44.20%
Other	57,077	162,314	105,237	35.16%
<b>Total Supplies &amp; Services</b>	<b>2,758,148</b>	<b>7,920,767</b>	<b>5,162,619</b>	<b>34.82%</b>

**Contribution to Reserve Funds**

Transfer to Police Equipment

Reserve Fund	143,970	290,801	146,831	49.51%
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**Total Contribution to****Reserve Funds**

143,970	290,801	146,831	49.51%
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**Net**

17,195,960	54,053,630	36,857,670	31.81%
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