

## **FINANCIAL NOTES**

### **SALARIES**

The Salaries account is 83.07 percent spent at October 31, 2008. The salaries account is forecasted to have a year-end surplus of \$690,000 due to salary gapping.

Net Overtime is 91.92 percent spent which includes the estimated banked liability. Salary-Overtime and Court Overtime are above budget and Returned Overtime is under budget. The actual payout to date, before overtime bank accrual, is \$1,261,401. Total overtime is forecasted to be on budget.

### **BENEFITS**

Employee benefits accounts are unfavourable at 86.17% percent spent due to higher than planned extended medical benefits.

### **OPERATING EXPENSES**

#### **Administration Expense**

Favourable variances in several accounts including Staff Training and Allowances, Special Events and Telephones, have more than offset ahead of plan Office Equipment Rentals and Repair and Maintenance Computer Software.

#### **Program Related Expense**

Total expenditures are slightly under plan. Uniform and equipment expenses, audio visual expenses and vehicle rental fees are in arrears. Investigative expenses to date have exceeded the annual budget and fuel charges are ahead of plan. For every ten cents over \$1.00 per litre budgeted, York Regional Police will incur a \$226,000 deficit in the fuel account. Year-to-date pricing has fluctuated and a net deficit in the range of (\$100,000) to (\$300,000) is anticipated across the gas account and T&W allocation.

#### **Professional Services Expense**

Consultant fees are well below budget.

#### **Occupancy Expense**

Occupancy expenses are ahead of budget. A year-end projected deficit in rental fees is due to unbudgeted additional space at Yonge & Mulock identified to the Board in 2007. This cost was still unknown when the 2008 budget was approved. Unbudgeted building renovations include a new 5 ton air conditioning unit for the IT room at headquarters, the Peace Tree Garden and renovations to various units at Yonge & Mulock.

#### **Repairs & Maintenance Expense**

Expenditures for vehicle maintenance are over budget. This unfavourable variance is currently offset by under spending in external building maintenance and maintenance of special equipment.

### Financial Items

Charges for debt issuance have not yet been incurred. Debt and interest is forecasting a \$760,000 surplus due to the deferral of debt issues in 2007 and 2008.

### Contribution to Reserves

A planned \$1,395,949 over-contribution relates to the Information Technology draw from reserves. The proposed over-contribution will fully repay the 2007 draw of \$680,949 as well as \$715,000 to eliminate the 2008 budgeted draw. Financial Services staff met with Treasurer Russell and staff from Business Planning and Budgets who agreed with the proposal, pending the Board's consideration.

### Internal Charges

The allocation for fuel from Transportation & Works is under budget.

### Asset Acquisition

Favourable variances exist in all accounts as procurement of assets was delayed pending budget approval.

## **REVENUES**

Overall revenues are favourable compared to budget. Favourable variances in Alarm Monitoring Fees, Third Party Recoveries, Clearance Letter Revenues, Volunteer Applicant Screenings and Prisoner Escorts have compensated for unfavourable Paid Duty revenues. Both invoicing of Correctional Services for the transportation of prisoners (high risk offenders and prisoners for whom medical conditions warrant) and the invoicing for use of York Regional Police radio towers is new and unbudgeted for 2008. Contributions from the Sick Leave Reserve and Seized Money are ahead of plan.

## **POLICE SERVICES BOARD PUBLIC RELATIONS FUND**

Year-to-date contributions to the reserve as of October 31, 2008 total \$56,273, \$42,517 from forfeited monies and \$13,756 from property auctions. Interest earned on the account totals \$4,658 while \$65,050 has been drawn down to pay for approved expenditures.