

Schedule of Financial Notes as of December 31, 2022

Financial Summary

\$ millions	Budget	Actual	(B-A)	Expended
Net	376.8	367.8	9.0	98%
Expenditures	414.6	412.4	2.2	99%
Revenue	(37.8)	(44.7)	6.9	118%

Gross Expenditure Variance Explanations

Gross Expenditures \$ millions	Restated Budget	Actual	Variance (B-A)	% Expended
Police Services	414.6	412.4	2.2	99%

- Total Salaries and Benefits are 99.5 percent spent year-to-date or \$1.9M under budget. The variance to budget is comprised of salaries \$4.6M better than budget, offset by benefits (\$1.4M) and net overtime (\$1.3M) over budget. Year-end staffing levels are temporarily below authorized complement for civilian personnel due to length of the onboarding process and due to COVID-19 lockdown at the beginning of the year. Uniform hiring is temporarily below authorized complement due to timing of Ontario Police College intake in August and December, and due to an increase in maternity leaves which are not backfilled. We have also seen a high number of resignations in 2022 contributing to vacancies, plus increase in volume and cost of retiree benefit obligations.
- Operational overtime is largely driven by investigative projects such as the recent success of Project Entrust, a joint force operation into a drug trafficking network, where officers charged 25 people and seized over a million dollars worth in illegal drugs, firearms and currency. In addition, Project Monarch dismantled a large-scale gun and drug trafficking network, where officers made 22 arrests, laid over 400 charges, seized 27 guns and \$1.3 million in illegal drugs. Overtime was also incurred for the Ottawa Freedom Convoy and Rolling Thunder Convoy deployments, both which were fully recovered and offset in Fees and Charges revenue.
- Overspending in accounts such as consultant expense due to several consultant review projects, and special events due to re-opening of events since the pandemic, have been offset by underspending in accounts such as software maintenance due to implementation or vendor delays, training due to pandemic restrictions, and hydro.
- Minimal additional cost due to the COVID-19 pandemic has been incurred for PPE, facilities supplies, office cleaning and software for (\$0.1M).

Revenue Variance Explanations

Revenue \$ millions	Restated Budget	Actual	Variance (B-A)	% Expended
Police Service	(37.8)	(44.7)	6.9	118%

- Total Fees and Services are above budget due to the cost recovery for two Ottawa deployments at the beginning of the year for \$1.2M. Most service fees and charges have returned to pre-pandemic levels. There has also been an increase to on-line request for reports, which are sold at a lower price than walk-in requests. Paid duty fees related to officer time, administration and vehicle fees have rebounded from prior year due to the opening of summer events, increase in funeral requests, prisoner watch at hospitals and the continuation of construction activities. Alarm monitoring fees are below budget as many residents are now working from home due to COVID-19, reducing the opportunity for false alarms. The revenue impact is identified in the COVID-19 financial impact section. Overall, fees and services revenues are \$4.0 million better than budget.
- Provincial funding is above budget by \$1.8M with additional funding from the Court Security and Prisoner Transportation upload and Community Safety & Policing local priorities grant. We also received unbudgeted funding for investigative joint-force operation projects, which is partially offset by a shortfall with the Gun and Gang Specialized Investigations grant.
- Revenues for third party secondment funding, which is based on signed contractual agreements, is slightly over budget by \$0.2M due to unbudgeted secondment contracts that are initiated during the year.
- A draw from the Fuel Cost Stabilization Reserve of \$0.9M is due to price for fuel over the budgeted hedged amount of \$1.07.

Salaries & Benefits Variance (Gapping) Explanations

\$ millions	Budget	Actual	(B-A)	Expended
Gross Salary and Benefit Expenditures Excluding Savings Target	357.4	355.5	1.9	99%
Recoveries - Officer Paid Duties	(3.2)	(5.9)	2.8	
Recoveries - Ottawa Deployments		(1.2)	1.2	
Salaries and benefits after recoveries	354.2	348.4	5.9	98%
Gapping Target			-	
Net Salaries and Benefits including savings target	354.2	348.4	5.9	98%

- York Regional Police uses a gapping treatment for salary and benefits budgeting for additional staff positions.
- Vacancies in both uniform and civilian positions are due to length of hiring process and pandemic delays in recruiting and onboarding, have resulted in vacancy savings of approximately \$5.0 million. This amount includes the high number of resignations, in

addition maternity leaves in 2022 resulted in savings of \$1.5 million. Maternity or parental leave for uniform members is not backfilled.

- Salaries include Paid Duty Officer variance of \$2.8M which is offset in revenues.
- Retiree benefits is over budget by \$1.4 million due to large number of retirements.
- Salaries and Overtime accounts are over budget due to Ottawa deployments in response to the Freedom Convoy and Rolling Thunder Convoy for \$1.2M, both which have been fully recovered.

The budget was created based on a default of 261 working days, the actual number of days in 2022 is 260, with savings of \$1.0M.