

## Schedule of Financial Notes as of September 30, 2024

### Financial Summary

\$ millions	Budget	Actual	Variance (B-A)	% Expended
Net	410.1	308.5	101.5	75.2%
Expenditures	450.4	343.6	106.8	76.3%
Revenue	(40.4)	(35.1)	(5.3)	86.9%

### Gross Expenditure Variance Explanations

Gross Expenditures \$ millions	Budget	Actual	Variance (B-A)	% Expended
Police Services	450.4	343.6	106.8	76.3%

- Salary accounts are slightly under budget, with 74.5 percent spent. Mainly due to vacancies in the uniform and civilian positions.
- Net overtime is 133.3 percent spent due to operational overtime being ahead of plan. Operational overtime is largely driven by investigative projects including the recent success of the joint force investigation Project Lookout. Additionally, overtime was incurred for the Violence Prevention Strategy and public order deployments to support Toronto Police during the Israel-Hamas conflicts. Deployments to Toronto are not recovered.
- Employee benefits are 78.7 percent spent because contributions for the Canada Pension Plan (CPP) and Employment Insurance (EI) are expensed in accordance with earnings until their respective maximums are reached, while the budgeted funding is distributed evenly throughout the year. Additionally, the newly implemented enhanced CPP in 2024 has resulted in additional pressures on benefits.
- Total operating expenses are unfavorable due to the timing of expenditures for most accounts. Telecom contracts have been paid for the full years' service upfront. Consulting expenses are ahead of budget due to several initiatives underway to review workload, communication, and the needs of new facilities. Investigative expenses are overspent due to the scheduling of joint force operation projects. Repairs and maintenance for facilities are ahead of budget. Conventions, seminars, and training expenses are ahead of budget due to inflationary increases in registration, travel, and meal costs.
- Debt principal payments are 100 percent spent or (\$1.4M) over budget, as the full year budgeted amount has been expensed in the first half of the year by the Region's Treasury Office.

## Revenue Variance Explanations

Revenue \$ millions	Budget	Actual	Variance (B-A)	% Expended
Police Service	(40.4)	(35.1)	(5.3)	86.9%

- Provincial funding is ahead of budget with an expected year end surplus due to additional grant funding from the Court Security and Prisoner Transportation grant (CSPT), new grants for Bail Compliance and Preventing Auto Theft. Provincial special funding is showing a \$1.1M annual surplus driven by provincial funding received to support joint force operation projects.
- The fees and charges revenues are currently ahead of plan at 86.8 percent received. This is from multiple areas that contribute modestly to being ahead of plan.
- Revenues for third party secondment funding, which is based on signed contractual agreements, is favourable with 84.5 percent received due to unbudgeted secondment contracts that are initiated during the year.

## Salaries & Benefits Variance Explanations

Salaries and Benefits \$ millions	Budget	Actual	Variance (B-A)	% Expended
Gross Salary and Benefit Expenditures	383.5	292.5	91.0	76.3%
Recoveries - Officer Paid Duties	(5.0)	(4.8)	(0.2)	95.5%
Salaries and benefits after recoveries	378.5	287.7	90.8	76.0%
<b>Net Salaries and Benefits</b>	<b>378.5</b>	<b>287.7</b>	<b>90.8</b>	<b>76.0%</b>

- The net salaries and benefits are just over budget (76.0%) once recoveries are removed.
- Salaries include Paid Duty Officer requests of \$4.8M which are offset in revenues.
- Overtime year-to-date is 133.3 percent of the full year budget, and is currently forecasted to be \$8.5M with an overspending of \$3.0M at the end of the year.
- York Regional Police uses a conservative gapping treatment for salary and benefits budgeting, there are no anticipated departmental gapping savings nor are there any savings to offset unbudgeted spending. The expense related to new staff is budgeted for half a year in the first year of hire, to reflect the average time of hiring. This conservative gapping treatment recognizes an annualization or full year expense in subsequent years.