



VICTORIA-ESQUIMALT POLICE BOARD REPORT

Public

DATE:	July 7 th , 2020
ACTION:	For Information
SUBJECT:	2020 Monthly Financial Report, as of June 13 th , 2020
RECOMMENDED BY:	Steve Hurcombe, Controller
APPROVED BY:	Chief Cst. D. Manak

BACKGROUND:

This report contains the financial results for the period ending **June 13th, 2020**, representing approximately 47% of the payroll year. Net operating expenditures are in line with the budget at this time and we expect them to remain so.

Capital expenditures are approximately 16.6% of total budget, excluding \$552,104 in commitments for vehicle replacements. Delivery dates for vehicles are at this time unknown due to production backlogs as a result of Covid-19. It will be some time before we can determine whether delivery will take place before the end of the year for all the vehicles ordered.

Operating expenditures in line with the budget at this time. The net financial position of 47% is as expected. We will continue to monitor financial performance to ensure this remains the case.

SUMMARY:

2020 operating expenditures represented 47% of the total operating budget on par with budget expectations. Revenues are below budget, mostly due to reduced special duties as ferries to the US have been suspended as well as many public events. Grants revenue includes \$133,200 of provincial funding for E-Ticketing implementation, which is underway. Approximately \$230,000 in additional grant revenue has been received but is not included in the financial reports as the offsetting expenditures have not yet been incurred. Grant revenue will be recognized as the funds are expensed.

Salaries are below budget by approximately 0.3%. Retirements are above budget due to the bulk of retirements occurring in the first half of the year. We expect retirement expenditures to remain over budget by the end of the year based on scheduled retirements. Retirement expenditures are

primarily funded out of the operating budget. However, in the case of an operating deficit retirement may also be funded out of the Employee Benefit Obligation fund.

Overtime expenditures are slightly above budget at this time. Overtime expenditures were also incurred in the first quarter in relation to protests. They also include approximately \$66,000 in overtime for decampment costs that we expect to recover from the Province. These recoveries have not yet been recorded as revenue.

Building projects that were previously deferred are now underway and are expected to be completed on time. This will allow us to provide better safety for our staff during the Covid-19 pandemic as well as tackle some of our space issues.

Pro-rated estimates have been included for expenditures that are billed annually or quarterly such as 9-1-1, CREST and allocations from the City for comparative purposes. The amounts for 9-1-1 do not include additional one-time staffing funding of approximately \$275,000 that was approved by the Police Board for 2020 as the exact amounts required have not yet been fully determined by E-Comm.



2020 MONTHLY FINANCIAL REPORT JUNE 13, 2020

Statement 1

Victoria Police Department
Revenues and Expenditures By Section (Unaudited)
For the Period Ending June 13, 2020

	Annual Budget	47.0%	Actual	(Over) Under	% of Total Budget
Revenue					
Special Events	745,140	350,961	64,562	680,578	8.7%
Records	170,000	80,070	43,424	126,576	25.5%
Grants	-	-	149,079	(149,079)	N/A
Other	-	-	27,961	(27,961)	N/A
Jail Operations	28,800	13,565	7,560	21,240	26.3%
Total Revenue	943,940	257,696	292,587	651,353	31.0%
Operating Expenditures By Section					
Executive	3,879,775	1,827,374	1,645,015	2,234,760	42.4%
Integrated Units	2,570,737	1,210,817	1,162,292	1,408,445	45.2%
Crime Prevention Services	1,505,428	709,057	477,994	1,027,435	31.8%
Crime Reduction Division	3,221,299	1,517,232	1,450,938	1,770,361	45.0%
Patrol - Primary Response Division	18,411,729	8,671,924	9,431,206	8,980,523	51.2%
K9	898,359	423,127	375,652	522,707	41.8%
Community Services Division	2,350,376	1,107,027	1,152,342	1,198,034	49.0%
Investigative Services	6,024,936	2,837,745	3,002,953	3,021,984	49.8%
Traffic Enforcement and Crash Investigation	1,445,780	680,962	720,176	725,604	49.8%
Communications Centre - 911	3,130,000	1,474,230	1,518,383	1,611,617	48.5%
Centralized Corporate Costs	2,061,920	971,164	1,337,602	724,318	64.9%
Support Services	11,684,395	5,503,350	4,665,474	7,018,921	39.9%
Jail Operations	980,296	461,719	425,838	554,458	43.4%
Total Operating Expenditures	58,165,030	15,879,053	27,365,863	30,799,167	47.0%
Transfers to Capital	1,120,000	527,520	280,000	840,000	25.0%
Transfer from Financial Stability Reserve	100,000	47,100	-	100,000	0.0%
Net Budget	58,241,090	27,431,553	27,353,276	30,887,814	47.0%

Statement 2

Victoria Police Department
Revenue and Expenditures by Object (Unaudited)
For the Period Ending June 13, 2020

				(Over)/Under	
	Actual	2020 Budget	% Used	\$	%
Revenue					
Special Events	64,562	745,140	8.7%	680,578	91.3%
Records	43,424	170,000	25.5%	126,576	74.5%
Grants	149,079	-	N/A	(149,079)	N/A
Other	27,961	-	N/A	(27,961)	N/A
Jail Operations	7,560	28,800	26.3%	21,240	73.7%
Total Revenue	292,587	943,940	31.0%	651,353	69.0%
Operating Expenditures					
Salaries and Benefits	20,372,691	43,618,673	46.7%	23,245,982	53.3%
Retirements	551,680	500,000	110.3%	(51,680)	-10.3%
Overtime	1,357,430	2,807,674	48.3%	1,450,244	51.7%
Professional Services	2,051,625	4,633,665	44.3%	2,582,040	55.7%
Equipment Maintenance - Fleet & Computers	669,480	1,214,485	55.1%	545,005	44.9%
Telephone Line Charges/CREST	422,155	1,100,900	38.3%	678,745	61.7%
Travel and Training	316,873	1,091,130	29.0%	774,257	71.0%
Building Maintenance	400,320	800,115	50.0%	399,795	50.0%
General and Office Supplies	385,067	595,230	64.7%	210,163	35.3%
Other Operating Expenditures	246,260	461,958	53.3%	215,698	46.7%
Uniforms & Protective Clothing	159,506	394,500	40.4%	234,994	59.6%
Lease/Rental/PRIME	141,369	368,200	38.4%	226,831	61.6%
Fuel and Motor Oil	183,817	342,000	53.7%	158,183	46.3%
Insurance	97,780	207,000	47.2%	109,220	52.8%
Postage and Freight	9,811	29,500	33.3%	19,689	66.7%
Total Operating Expenditures	27,365,863	58,165,030	47.0%	30,799,167	53.0%
Transfers to Capital	280,000	1,120,000	25.0%	840,000	75.0%
Transfer from Financial Stability Reserve	-	100,000	0.0%	100,000	N/A
Net Budget	27,353,276	58,241,090	47.0%	30,887,814	53.0%

Statement 3

Victoria Police Department
Operating Expenditures by Section and Business Unit (Unaudited)
For the Period Ending June 13, 2020

	<u>Annual Budget</u>	<u>Actual</u>	<u>(Over) Under</u>	<u>% of Total Budget</u>
Executive Services				
Office of The Chief Constable	1,019,740	464,075	555,665	45.5%
Executive Services, Policy and Professional Standards	1,578,774	543,783	1,034,991	34.4%
Esquimalt Administration	572,359	301,215	271,144	52.6%
Police Board	114,200	20,773	93,427	18.2%
Public Affairs	594,702	315,169	279,533	53.0%
Total Executive Services	3,879,775	1,645,015	2,234,760	42.4%
Integrated Units				
Vancouver Island Integrated Major Crime Unit	1,066,249	452,507	613,742	42.4%
Diversity Unit	2,646	1,244	1,402	47.0%
Integrated Mobile Crisis Response Team	133,273	73,210	60,063	54.9%
Regional Domestic Violence Unit	189,006	75,498	113,508	39.9%
Crowd Management Unit Training	39,478	18,555	20,923	47.0%
Assertive Community Treatment	422,929	211,461	211,468	50.0%
Explosive Disposal Unit	15,963	7,846	8,117	49.2%
Crime stoppers	60,630	28,496	32,134	47.0%
Mobile Youth Service Team	62,383	29,320	33,063	47.0%
Emergency Response Team Training	447,975	210,548	237,427	47.0%
Municipal Undercover Program	69,580	32,702	36,878	47.0%
Crisis Negotiator Team	17,025	8,001	9,024	47.0%
Youth Camp	16,284	64	16,220	0.4%
Canadian Intelligence Services British Columbia	27,316	12,839	14,477	47.0%
Total Integrated Units	2,570,737	1,162,292	1,408,445	45.2%
Crime Prevention Services				
Community Resource Officers	686,221	345,100	341,121	50.3%
School Resource Officers	383,220		383,220	0.0%
Community Programs	111,242	40,164	71,078	36.1%
Volunteer Program	152,505	48,439	104,066	31.8%
Reserve Program	172,240	44,292	127,948	25.7%
Total Crime Prevention Services	1,505,428	477,994	1,027,435	31.8%
Crime Reduction Division				
Strike Force	1,511,542	825,012	686,530	54.6%
Analysis and Intel	690,976	327,922	363,054	47.5%
Operational Planning	260,341	124,672	135,669	47.9%
Special Duties	758,440	173,332	585,108	22.9%
Total Crime Reduction Division	3,221,299	1,450,938	1,770,361	45.0%

	<u>Annual Budget</u>	<u>Year To Date</u>	<u>(Over) Under</u>	<u>% of Total Budget</u>
Patrol - Primary Response Division	18,411,729	9,431,206	8,980,523	51.2%
K9	898,359	375,652	522,707	41.8%
Community Services Division	2,350,376	1,152,342	1,198,034	49.0%
Investigative Services Division				
Detective Division - Support	1,171,073	514,397	656,676	43.9%
Special Operations	100,000	13,053	86,947	13.1%
Historical Case Review	172,564	77,333	95,231	44.8%
Financial Crimes	307,329	232,520	74,809	75.7%
Integrated Tech Crime Unit	381,689	211,505	170,184	55.4%
Special Victims Unit	1,058,533	515,889	542,644	48.7%
Major Crimes	1,255,600	635,820	619,780	50.6%
Behavioural Assessment & Management Unit	582,299	297,495	284,804	51.1%
Forensic Identification	995,849	504,941	490,908	50.7%
Total Investigative Services Division	6,024,936	3,002,953	3,021,984	49.8%
Traffic Enforcement and Crash Investigations				
Traffic Enforcement and Crash Investigation	1,435,780	720,176	715,604	50.2%
Motorcycle Escort Team	10,000	-	10,000	0.0%
Total Traffic Enforcement and Crash Investigations	1,445,780	720,176	725,604	49.8%
Communications Centre - 911	3,130,000	1,518,383	1,611,617	48.5%
Centralized Corporate Costs	2,061,920	1,337,602	724,318	64.9%
Support Services				
Automotive	870,000	427,049	442,951	49.1%
Critical Incident Stress Management	16,000	1,198	14,802	7.5%
Legal Services and Freedom of Information	382,989	181,764	201,225	47.5%
Finance, Exhibit Control and Purchasing	4,253,256	1,410,103	2,843,153	33.2%
Human Resources, firearms and use of force training	2,677,114	1,053,819	1,623,295	39.4%
Records Management	2,278,623	1,087,860	1,190,763	47.7%
Information Systems	1,206,413	503,680	702,733	41.8%
Total Support Services	11,684,395	4,665,474	7,018,921	39.9%
Jail Operations	980,296	425,838	554,458	43.4%
Total Operating Expenditures	58,165,030	27,365,863	30,799,167	47.0%

**Victoria Police Department
Capital Expenditures (Unaudited)
For the Period Ending June 13, 2020**

	Transfers to Capital Fund	Budgeted Expenditures	Actual Expenditures	(Over) Under	%
Vehicles ¹	500,000	551,000	33,399	517,601	6.1%
Computer Equipment	515,000	1,181,000	279,206	901,794	23.6%
ERT Equipment	-	53,000	-	53,000	N/A
Furniture	40,000	125,000	-	125,000	0.0%
K9	15,000	15,000	-	15,000	N/A
Police Building Upgrades	50,000	50,000	14,831	35,169	29.7%
Total Capital	1,120,000	1,975,000	327,436	1,647,564	16.6%

Notes:

1. An additional \$552,104 has been committed but due to production backlogs it is unknown whether delivery will take place before the end of the year

1. REVENUE

Revenues are below budget at this time as expected. Ferries from the US have been temporarily suspended. Many community events have also been cancelled or postponed. Due to Covid-19 we expect revenues and offsetting overtime expenditures to be significantly reduced.

Grant revenue includes \$133,200 received from the Province for the implementation of E-Ticketing. An additional \$230,000 in grants has been received from the Province for PTEP funding which has not been recognized at this time as offsetting expenditures have not yet been incurred.

2. SALARIES AND BENEFITS:

The Human Resources section recruits police officers based on a projection of retirements and authorized strength. As it takes at least 18 months for a recruit to be fully operational, VicPD tries to hire recruits ahead of anticipated retirements.

Salaries and benefits expenditures are slightly budget at this time due to the time lags involved in replacing retiring or injured officers. We will continue to monitor salaries and benefits expenditures but at this time expect to remain in line with the budget.

3. RETIREMENTS:

Retirement costs are \$551,680, representing 110% of the budgeted amount. Further expected retirements will bring us over budget, as expected, with overages to be drawn down from the Employee Benefit Obligation reserve if required.

4. OVERTIME:

Net overtime costs are slightly over budget due to protests in the first quarter. Additionally, costs were incurred for decampment that have not yet been recovered from the Province.

5. PROFESSIONAL SERVICES:

Professional fees include the costs for Integrated Units, as well the costs to meet any unexpected legal costs. Expenditures, including estimates for unbilled Integrated Unit costs as well as services provided by E-Comm and the City of Victoria.

6. EQUIPMENT MAINTENANCE – FLEET & COMPUTERS:

Expenditures are in line with expectations as we get back on track with planned purchases.

7. TELEPHONE LINE CHARGES:

Telecommunication costs continue to be managed and a recent extension of the mobility contract has allowed us to realize additional savings on our telecommunication costs. Expenditures remain slightly below budget.

8. TRAVEL AND TRAINING:

Travel and training expenditures are below budget. We expect expenditures to remain below budget due to the significant number of cancellations of training and conferences due to Covid-19.

9. BUILDING MAINTENANCE:

Building Maintenance costs includes pro-rated year to date estimates.

10. GENERAL & OFFICE /OTHER OPERATING/UNIFORM & PROTECTIVE CLOTHING:

Other expenditures are in line with expectations at this time. Other operating expenditures include expenditures incurred for personal protective equipment, sanitation supplies and services to maintain hygiene during the Covid-19 pandemic. A portion of these expenditures will be recoverable through Emergency Management BC. Remaining expenditures will be offset by reductions in other expenditure lines to remain within budget. General and Office supplies expenditures includes expenditures incurred in implementing E-Ticketing, for which grant money was received.

11. FUEL AND MOTOR OIL

The majority of Fuel and Motor Oil expenditures are billed periodically through the City of Victoria. Expenditures are below budget due to reduced capacity at the City for non-essential maintenance, as well as lower fuel costs in the spring due to Covid-19. Although fuel prices remain below average, prices have increased in recent weeks.

12. DIVISIONAL BUDGET VARIANCES:

Budgets for police officer salaries are allocated based on deployment at the time the budget is prepared. Resources are re-deployed to other areas as required throughout the year. Variances can therefore occur where police officers have been moved in or out of units in the intervening period. The overall budget and actual deployment are both based on the number of authorized strength in the approved budget.

Youth Camp

Due to social distancing requirements the Youth Camp has been deferred to 2021.

Crime Prevention Services: School Resource Officers

The budget reflects the intent to reinstate the School Resource Officer positions. Due to resource constraints these positions have not been reinstated at this time.

Centralized Corporate Costs

Centralized Corporate Costs includes retirement expenditures for retirements as well as the costs to maintain public safety during protests in the first quarter.

Investigative Services: Crime Reduction Unit (CRU)

In June 2019 of this year the officers within the Crime Reduction Unit were reallocated to reinforce Patrol and Strike Force, as detailed in the Transformation Report. This unit remains temporarily suspended.

Special Duties

Ferries to the US have been temporarily cancelled, as have many community events for which policing is required.

Patrol

Previously additional police officers were reallocated from the School Resource Officers. These positions are still within the Patrol division at this time.

Traffic Enforcement

Expenditures include grant funded expenditures to implement the Provincial E-Ticketing initiative to stream line traffic enforcement