

August 11, 2021

To: Oklahoma County Criminal Justice Authority  
From: Mark McCubbin, CFO

The income statement for the OCCJA for June and for the twelve months ending 6/30/21 is attached.

#### REVENUE

Total income in June was \$3,185,000 compared to budget of \$3,099,000 for a favorable variance to budget of \$86,000. Year-to-date revenue is \$40,692,000 against budget of \$38,411,000 (+\$2,281,000 to budget). Major variances to budget are:

- Boarding revenue from the Department of Corrections was \$73,000 ahead of plan in June and finished \$1,104,000 ahead for the year. We expect to see this category track closer to budget in the current fiscal year.
- Revenue from the General Fund of Oklahoma County was \$923,000 ahead of budget, a special allocation in March for the ongoing Willo lock project. Although the funds were received in FY21, the project is not yet complete and the expenditure will occur in FY22.
- Telephone revenue was \$34,000 ahead of plan in June and \$183,000 ahead for the year, as the new contract with GTL/Telmate is now in effect.
- Commissary income finished at \$696,000 for the year (+ \$111,000 to budget). Keefe Commissary took over commissary operations in mid-July of last year.

#### EXPENSES

Total expenses for June were \$3,638,000 compared to budget of \$3,081,000, an unfavorable variance of \$558,000. For the year total expenses were \$36,240,000 against budget of \$37,276,000, a favorable variance of \$1,036,000. Substantially all of this favorable variance to plan was in salaries, wages and benefits.

#### Salaries, Wages & Benefits

Salaries, wages and benefits totaled \$2,235,000 for the month compared to budget of \$1,706,000 (\$529,000 over budget). Recall that we had a favorable variance in personnel costs of \$417,000 last July, due to the difference between how we budgeted for payroll versus the county's actual payroll cycle. That favorable variance was carried throughout the fiscal year and June was the "catch up" month.

Year-to-date expenditures in this category are \$19,266,000 against budget of \$20,257,000 (\$991,000 under budget).

### Maintenance & Operations

Total M&O expenses in June were \$1,362,000 versus budget of \$1,327,000 (\$35,000 over budget). For the year overall M&O expense tracked very close to budget, finishing \$8,000 (.05%) over plan. Major variances to budget include:

- Workers Compensation expense was over budget by \$43,000 in June. An additional \$41,000 is due following the audit for the policy period 4/1/20 – 4/1/21. For the year this category finished very close to budget (- \$5,500 to budget).
- Total utility costs were \$53,000 less than budgeted and finished the year \$346,000 under budget. Water usage at the Detention Center has continued to decrease as a result of the water management system installed earlier this year.
- Onsite medical expense totaled \$7,037,000 for the year. The unfavorable variance of \$48,000 was due to the cost of additional Covid testing and supplies. Pharmacy and offsite medical expense for detainees (Prisoner Care-Cap) was \$46,000 under budget in June and was \$35,000 over plan for the year.
- The Building & Grounds Maintenance and Supplies categories were a combined \$31,000 over budget in June and \$229,000 over budget for the year.
- Inmate Food finished \$178,000 under budget for the year. Our cost per meal is higher with the current vendor Summit Food Services than with our former vendor, but the calorie count is higher and overall food quality has improved.

### Summary

The month of June saw a net loss of \$454,000 versus a budgeted surplus of \$18,000. For the year net income was \$4,452,000 against budget of \$1,135,000 (+ \$3,317,000 to budget). The key drivers of the favorable variance to budget are:

- Boarding income from the Oklahoma DOC: + \$1,105,000
- Special income from Oklahoma County for the lock project: + \$923,000
- Income from GTL/Telmate due to the new contract: + \$ 183,000
- Salaries, wages & benefits: - \$991,000

These figures are preliminary and pre-audit. The surplus for the fiscal year which ended on 6/30/21 will be carried over into this year and built into the FY22 budget which will be presented for your review and approval at the September meeting of the Authority.