



SASKATOON POLICE SERVICE

TO: Jo Custead, Chairperson
Board of Police Commissioners

FROM: Troy Cooper
Office of the Chief

DATE: 2022 March 01

SUBJECT: 2021 Year End Financial Report

FILE #: 2,018

ISSUE:

The 2021 fiscal year for the Saskatoon Police Service (SPS) ended December 31, 2021. A report has been prepared summarizing the overall Operating and Capital Budget performance including a commentary regarding major variances between budget and actual results.

RECOMMENDATION:

That the information be received and that the value of \$650,000 transferred to the SPS Fiscal Stabilization Reserve be approved by the Saskatoon Board of Police Commissioners.

STRATEGIC PRIORITY:

Innovation – To accommodate Innovation, the SPS must ensure it is financially sustainable. This report is provided to the Board to ensure awareness and understanding of the financial resources the Service consumed in delivery of its mandate and how that compared to the approved budget.

ATTACHMENT:

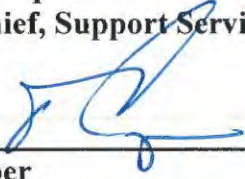
2021 Year End Financial Report.

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Director of Finance and Asset Management

**Reviewed and
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Executive Director, Corporate Strategy & Performance

Mitch Yuzdepski
Deputy Chief, Support Services

Approved by:



Troy Cooper
Chief of Police

Dated: March 8, 2022



SASKATOON

POLICE SERVICE
BE THE DIFFERENCE

2021 YEAR END
FINANCIAL REPORT
SUMMARY

PART A: OPERATING BUDGET

Performance Overview

The Saskatoon Police Service (SPS) ended fiscal 2021 with a **budget surplus of \$863,900 (0.83%), in addition to transferring \$650,000 to the SPS Fiscal Stabilization Reserve**. Total revenues were \$1,239,500 (11.5%) higher than budgeted while total expenditures were \$375,600 (0.33%) over budget including an over expenditure of \$932,800 in staff compensation costs, an under expenditure in expenditures other than staff of \$1,207,200 and the contribution to the Fiscal Stabilization Reserve of \$650,000.

Due to Covid, SPS continued restrained expenditures in 2021 as it had in 2020. This resulted in generally significant savings versus budget related to expenditures other than staff. Additionally, revenues exceeded expectations as related below.

2021 Year End Actuals to Budget Overall Variance					
	2021 Budget	2021 ACTUAL	Variance	% Variance	
Revenues	\$ 10,779,000	\$ 12,018,500	1,239,500	11.50%	
Expenditures					
Staff Compensation	\$ 91,704,800	\$ 92,637,600	-932,800	-1.02%	
Expenditures other than Staff	\$ 23,285,300	\$ 22,078,100	1,207,200	5.18%	
Transfer to Stabilization Reserve	\$ -	\$ 650,000	-650,000		
Total Expenditures	\$ 114,990,100	\$ 115,365,700	-375,600	-0.33%	
Total Net Budget	\$ 104,211,100	\$ 103,347,200	863,900	0.83%	
Variance - no sign means a positive variation, negative sign means a negative variation					

Revenues

2021 revenues were \$1,239,500 (11.5%) more than budgeted.

Provincial Government funding was \$756,900 higher than budgeted. The increased funding was primarily related to contracts that were finalized after budgeting was completed that had an offsetting expense. The main operational units affected by this were the Crime Reduction Team, CTSS support and the Detention remand service.

Federal Government revenue was \$390,400 more than anticipated. Increased Federal Government revenue was primarily attributed to funding the secondment of SPS officers overseas to train locals in policing techniques and federal reimbursement for support provided by SPS.

General Revenue, was \$92,200 above budget as well. The largest factor in this was simply an accounting change, where parking fees collected from SPS employees and others using SPS parking services were recognized as revenue in 2021, rather than as cost-recovery as had been done in the past.

Expenditures

Total expenditures were \$375,600 (0.33%) more than budgeted, including staff compensation which exceeded budget by \$932,800 (1.02%), expenditures other than staff compensation where spending was \$1,207,200 (5.18%) under budgeted amounts, and a transfer to the SPS Fiscal Stabilization Reserve in the amount of \$650,000, which will be further explained below.

Staff Compensation

Staff compensation was over budget by \$932,800. The largest driver for this was overtime which was \$1,714,500 over budget offset by staff vacancies and other smaller staff compensation savings. The largest portion of this expense was for call out. In Patrol, SPS was calling out staff to meet operational demand regularly in 2021. The addition of budgeted officers for 2022 should help mitigate this type of expense in the future.

Expenditures other than Staff Compensation

Expenditures other than staff compensation were under budget by \$1,207,200 for a variety of reasons.

Unbudgeted expenditures associated with additional cleaning related to Covid were \$178,300 in 2021. The service was provided by City staff.

The SPS had savings related to Travel and Training of \$500,000. This was a combination of courses not being offered with savings resulting from that, and the SPS prudently delaying what it could for training in 2021.

Further savings were \$329,600 in Vehicle expenses, \$180,800 in fuel savings and \$57,600 in telephone contract savings. Vehicle expense savings were largely related to 2021 being the second year in the two-year budget process. The anticipated increase in fees did not come to fruition. Fuel prices were still down through much of 2021, resulting in fuel expense savings. Additionally, the SPS is part of a broader City-led savings initiative on cell phone plans. Not only will this result in ongoing efficiencies, but savings versus budget resulted in 2021.

Transfer to the SPS Fiscal Stabilization Reserve

This is the first year the Fiscal Stabilization Reserve is in use. Transferring in \$650,000 is intended to recognize a savings of \$500,000 in Training and Travel. Training deferred from 2021 will need to take place in 2022 though it was not budgeted in 2022. Additionally, \$50,000 will be set aside for training time or potential overtime that will need to be incurred to support the aforementioned training in 2022. An added expense that will be incurred in 2022 that was not budgeted for is \$100,000 for an SAP HR expert that will better help SPS pay SPS employees correctly and ensure employees are set up correctly in Fusion.

Conclusion

The Saskatoon Police Service ended the year \$863,900 under budget. The surplus will be returned to the City of Saskatoon Corporation. The SPS is happy to have a positive contribution to the City's financial position in this challenging year.

PART B: CAPITAL BUDGET

Capital budget performance for fiscal 2021 has been summarized as follows:

Completed Projects

Three capital projects were completed in 2021 with expenditures totaling \$762,300. The most notable one was the Carabines Equipment Expansion (\$398,900) project. Two of the projects were completed within budget and one was completed slightly over budget, net funding of \$700 will be returned to Police Equipment and Technology reserve.

In 2021, SGI fully funded the eCollision Software Extension project (\$110,000), which allows SPS officers to electronically fill out accident report forms required by SGI for automobile accidents, has been completed within the same year.

Active Projects

54 capital projects with approved funding of \$135,954,000 remain active. Among these is funding of \$122.1 million for the New Headquarters Facility. 26 projects were carried over from previous years. All projects are at varying stages of completion. Two of them are expected to be running over budget by \$2,700 and \$7,700 while all the others are expected to be within budget. There are sufficient funds within the respective capital reserves to cover these over-expenditures.

On-Hold Project

The Roadside Screening Devices Equipment Expansion project with approved funding of \$100,000 has been categorized as on-hold and is subject to further review.

(Capital Project Summary Report Attached)

Capital Status REPORT

Dec 2021

PROJECT NUMBER	FUNDING YEARS	PROJECT COMPONENT NAME	PROJECT DESCRIPTION	APPROVED BUDGET \$	EXPENDITURES TO DATE	PURCHASE COMMITMENTS	REMAINING BUDGET	BUDGET STATUS & PROJECTIONS	Overall Project Status
P.01389	2020, 2021	Notebook Replacement - In Car	Replace in-car notebooks	(760,000)	17,632	-	(742,368)	Expected to be within budget.	Active
P.02119	2013, 2015-2019 & 2021	Radio Replacement	Replacement of portable and mobile radios as end of useful life is reached	(2,362,203)	2,349,023	-	(13,179)	Ongoing project. Radio replacement schedule will determine when next radios will be purchased.	Active
P.02132	2008	New Headquarters Facility	Planning, Design, and Construction of new Headquarters facility	(122,100,000)	118,781,025	-	(3,318,975)	Facilities (Infrastructure Services) Project	Active
P.02389	2016, 2017, 2019, 2021	Fleet Additions	Add new vehicles to the fleet	(1,110,000)	578,165	-	(531,835)	Expected to be within budget.	Active
P.02389	2021	Fleet Additions	Upgrade Minivan to Marked SUV - SRU	(72,000)	43,092	-	(28,908)	Expected to be within budget.	Active
P.02389	2016	Fleet Additions	CNT Specialized Unit	(80,000)	74,158	-	(5,842)	Expected to be within budget.	Active
P.02389	2017	SRO Vehicle	Add new vehicle for SRO	(36,000)	22,472	-	(13,528)	Expected to be within budget.	Active
P.02389	2018	EDU Bomb Truck & Trailer	Purchase of a Trailer and Truck for the EDU Unit	(180,000)	148,928	-	(31,072)	Expected to be within budget.	Active
P.02389	2020	Fleet Additions	Anti-Gang Initiative Vehicle	(67,000)	40,953	25,700	(347)	Expected to be within budget. This project is fully funded by the Civil Forfeiture Fund.	Active
P.02489	2014-2021	Furniture Replacement	Replace furniture that has reached life expectancy	(400,000)	396,579	-	(3,421)	Expected to be within budget.	Active
P.02497	2014, 2019, 2020 & 2021	Traffic - Speed Det. Eq.	Replace outdated Radar units	(183,397)	179,174	-	(4,223)	Expected to be within budget. Mobile Radar unit replacement schedule will determine next purchases. In 2021, received funding from SGI (\$49,398.53) to share 50% purchase price for the Scanning Total Station.	Active
P.02497	2017-2021	Special Teams - Equipment Replacement	Replace Equipment for Various Special Team Units	(797,672)	769,580	-	(28,092)	Expected to be within budget.	Active
P.02497	2018	Tire Deflation Equip	Replace Tire Deflation due to life cycle	(55,000)	-	-	(55,000)	Expected to be within budget.	Active
P.02497	2019-2021	Alcohol Screening Devices	Replace Approved Screening Devices	(48,000)	14,066	-	(31,934)	Expected to be within budget.	Active
P.02497	2019-2021	Pistol Replacement	Replace Pistol	(49,000)	31,897	-	(17,103)	Expected to be within budget.	Active
P.02497	2019-2021	Body Armour Replacement	Replace Armour	(439,000)	360,805	-	(78,195)	Expected to be within budget.	Active
P.02497	2019-2021	Tech Crime Equipment Replacement	Replace Tech Crime Equipment	(68,000)	67,365	-	(635)	Expected to be within budget.	Active
P.02497	2019-2021	Fleet Replacement - Installation of Equipment	Replace Fleet - Installation	(195,000)	84,806	-	(110,194)	Expected to be within budget.	Active
P.02497	2020-2021	Carbine Rifles Replacement	Replace Carbine Rifles	(212,000)	198,413	-	(13,587)	Expected to be within budget.	Active
P.02497	2020-2021	Large Items Equip	Replace Gym Large Items Equip	(50,000)	5,398	-	(44,602)	Expected to be within budget.	Active
P.02497	2020	Indoor Range Equip	Replace Indoor Range Equip	(140,000)	-	-	(140,000)	Expected to be within budget.	Active

CAPITAL PROJECT REPORTING

2022-03-04

Capital Status REPORT
Dec 2021

PROJECT NUMBER	FUNDING YEARS	PROJECT COMPONENT NAME	PROJECT DESCRIPTION	APPROVED BUDGET \$	EXPENDITURES TO DATE	PURCHASE COMMITMENTS	REMAINING BUDGET	BUDGET STATUS & PROJECTIONS	Overall Project Status
P.02497	2021	Taser 7 Conducted Energy Weapon (CEW)	Replace Taser 7 CEW	(128,500)	136,210	-	7,710	2021 Post budget adjustment approved by Police Board on August 10, 2021 and City Council on August 30, 2021. Over expenditure was due to the PST was omitted and will be covered by 2022 approved funding.	Active
P.02498	2014, 2017-2021	Special Teams Additional Equipment	Purchase of additional equipment used by Police Special Teams	(384,000)	349,710		(34,290)	Expected to be within budget.	Active
P.02498	2016-2017	Equip Expansion	Equip Expansion - Carbines	(400,000)	398,925	-	(1,075)	Expected to be within budget. Remaining \$21K is approved by DC for the purchase of plates for carbine operators.	Complete Q1
P.02498	2018	Roadside Screening Devices	Purchase Roadside screening devices for new Legislation	(100,000)	-	-	(100,000)	Scope of Project being re-evaluated	On Hold
P.02498	2020	Cian Lab Response Safety Equip	Purchase Clandestine Lab Response Safety Equip	(31,690)	31,690	-	-	Project completed under budget and was fully funded by the Civil Forfeiture Fund. Excess funding of \$8,110.37 has been returned.	Complete Prior Year - Q4
P.02498	2021	HR Hard Body Armour	Purchase Hard Body Armour	(78,000)	-	-	(78,000)	Expected to be within budget.	Active
P.02499	2014, 2016-2019, 2021	Network Server Replacement	Replacement of network servers	(621,000)	475,249		(145,751)	Ongoing project where funding for each year will get combined.	Active
P.02499	2014-2015, 2017-2019, 2021	Network Printer Replacement	Replacement of network printers	(149,000)	133,230		(15,771)	Ongoing project where funding for each year will get combined.	Active
P.02499	2015-2021	IT Project Administrator	Tech Services Staff Member coordinates the Capital Projects	(1,080,400)	1,026,004		(54,396)	Expected to be within budget.	Active
P.02499	2016	Interview Room Software Replacement	Get new software with additional capability and features that enhance storage and viewing ability	(160,000)	147,390		(12,610)	Expected to be within budget.	Active
P.02499	2016, 2018	Network Upgrades	Upgrade existing server room core network, existing switches and remote computer connections	(325,000)	324,156	-	(844)	Expected to be within budget.	Active
P.02499	2016 Adj, 2018	VMware Software Upgrade (Virtual Desktop)	Upgrade VMWare Software	(398,000)	320,939		(77,061)	Expected to be within budget.	Active
P.02499	2017-2019	Laptop Replacement (non in-car)	Replace the laptops that are through out the service	(146,000)	136,877	-	(9,123)	Expected to be within budget.	Active
P.02499	2018, 2020-2021	System Security Replacement	Replace the System Security System	(192,000)	120,174	-	(71,826)	Expected to be within budget.	Active
P.02499	2019	Wifi Access Point Replacement	Replace Wifi Access Point	(112,000)	7,537	-	(104,463)	Expected to be within budget.	Active
P.02499	2019	In-car Camera Replacement	Replace In-car Camera	(72,000)	62,976	-	(9,024)	Expected to be within budget.	Active
P.02499	2019	Notebook Replacement (In-Car P1389)	Replace In-car Notebooks	(62,000)	12,455	-	(49,545)	P.01389 is the correct project. Use up funding in this project first before charging to P.01389.	Active
P.02499	2019-2021	Desktop Computer Replacement	Replace Desktop Computer	(122,000)	101,701	-	(20,299)	Expected to be within budget.	Active

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P.02499	2020-2021	Tech Crime Software	Replace Tech Crime Equipment	(10,000)	5,420	-	(4,580)	Expected to be within budget.	Active
P.02499	2020-2021	Audio/Video	Replace Meeting & Training Rooms Audio/Video Equip	(23,000)	20,018	-	(2,982)	Expected to be within budget.	Active
P.02499	2021	Network Upgrades	Upgrade existing server room core network, existing switches and remote computer connections	(80,000)	-	-	(80,000)	Expected to be within budget.	Active
P.02499	2021	Storage Area Network (SAN) Repliment	Replace Storage Area Network	(42,000)	-	-	(42,000)	Expected to be within budget.	Active
P.02610	2016-2017	High-end Workstations Expansion	Additional specialized workstations	(100,000)	81,663	-	(18,337)	Expected to be within budget.	Active
P.02610	2016-2021	Storage Area Network	Proactive plan to expand network storage capacity.	(592,913)	479,753	-	(113,160)	Expected to be within budget.	Active
P.02610	2017-2018	ASU Tech Package	Add Mapping to the FLIR capabilities	(415,700)	159,356	-	(256,344)	Further expenditures are dependent upon and external party providing funding.	Active
P.02610	2017-2018	Detention Video Storage Expansion	This storage is due to Detention Video retention time expanding to 31 months.	(253,000)	253,360	-	360	Project completed slightly over budget and to be closed in 2022.	Complete Q4
P.02610	2018-2020	Server Expansion	Add More Servers to Tech Services	(90,000)	21,183	-	(68,817)	Expected to be within budget.	Active
P.02610	2019	Document Management System	Purchase Document Management System	(70,000)	-	-	(70,000)	Expected to be within budget.	Active
P.02610	2019	Follow Me Print and Scan	Implement Follow Me Print and Scan	(55,000)	-	-	(55,000)	Expected to be over budget by \$5K approved on July 25, 2019.	Active
P.02610	2019	Tech Crime Software	Purchase Tech Crime Software	(109,000)	108,766	-	(234)	Project completed within budget.	Complete Prior Year - Q4
P.02610	2020-2021	Body Worn Camera System	Pilot for Body Worn Camera System	(501,000)	278,043	-	(222,957)	Expected to be within budget.	Active
P.02610	2020-2021	Information Management System	Purchase Information Management System	(49,000)	2,350	-	(46,650)	Expected to be within budget.	Active
P.02610	2021	eCollision Software Extension	eCollision Software Extension (SGI Funded)	(110,000)	110,000	-	-	Fully funded by SGI. Project completed in 2021 and will need to submit for Board's approval.	Complete Q4
P.02612	2017	CTSS - Fleet Addition	Additional vehicle for CTSS fleet	(107,000)	99,898	-	(7,102)	Additional \$15K was approved by the Chief on January 7, 2020. This project will be fully funded by SGI.	Active
P.02613	2015	Predicative Analytics Lab	Create New Lab for behavior analysis	(212,171)	121,245	-	(90,926)	Expected to be within budget.	Active
P.02618	2017	Server Room Improvements	Increase the power distribution for newer servers.	(65,000)	33,473	-	(31,527)	Expected to be within budget.	Active
P.02618	2017-2018	Outdoor Range - Disposal Pit Remediation	Funding for the Remediation of the outdoor Range	(70,000)	17,853	-	(52,147)	City Hall will finalize costs once the work is complete.	Active
P.02618	2018	EDU Explosives Containment Vessel	A safe place to store explosives	(370,000)	337,799	-	(32,201)	Over expenditure of \$20K approved by the Chief on January 7, 2021. Higher cost due to the delay of government approval of the project.	Active
P.02618	2020	Facilities Renovations	Facilities Alteration & Improvements	(60,000)	47,165	-	(12,835)	Expected to be within budget.	Active

CAPITAL PROJECT REPORTING

2022-03-04

Capital Status REPORT

Dec 2021

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P.02619	2020	Aircraft Equip	Replace Aircraft Equip	(110,000)	112,729		2,729	On going project. Over expenditure of \$3K hasn't been approved yet. Higher shipping cost due to COVID.	Active
61				(137,458,645)	130,238,826	25,700	(7,194,119)		

SUMMARY:

	QTY.	BUDGET
Total Projects At 54		\$ (135,843,956)
Completed Projects		
Completed in 2020	2	\$ (140,690)
2021 Q1	1	\$ (400,000)
2021 Q2	0	\$ -
2021 Q3	0	\$ -
2021 Q4	2	\$ (363,000)
Total Projects Completed	5	\$ (903,690)
Total Projects On Hold	1	\$ (100,000)
TOTALS	60	\$ (136,847,645)

Active

Complete Prior Year
Complete Q1
Complete Q2
Complete Q3
Complete Q4

On Hold