



SASKATOON

POLICE SERVICE
BE THE DIFFERENCE

2022 YEAR END
FINANCIAL REPORT
SUMMARY

PART A: OPERATING BUDGET

Performance Overview

The Saskatoon Police Service (SPS) ended fiscal 2022 with a **budget surplus of \$300,000 (0.28%), in addition to transferring \$285,400 to the SPS Fiscal Stabilization Reserve and \$240,000 to the SPS Equipment and Technology Capital Reserve**. Total revenues were \$772,000 (6.72%) more than budgeted while total expenditures were \$472,000 (0.39%) over budget including an over expenditure of \$1,664,400 in staff compensation costs; an under expenditure in expenditures other than staff of \$1,717,900; and, the contribution to the Fiscal Stabilization Reserve and Capital Reserve totaling \$525,400.

SASKATOON POLICE SERVICE 2022 OPERATING BUDGET - YEAR END ACTUALS vs BUDGET				
	2022 Actual	2022 Budget	Variance	%Variance
Revenues				
General Revenue	2,509,263	\$2,638,700	(129,437)	-4.91%
Prov. Of Sask. Revenue	9,184,970	8,600,100	584,870	6.80%
Gov't Of Canada Revenue	569,337	252,800	316,537	125.21%
Total Revenues	12,263,570	11,491,600	771,970	6.72%
Expenditures				
Staff Compensation	95,319,215	93,654,800	(1,664,415)	-1.78%
Operating Costs	20,956,387	22,421,000	1,464,613	6.53%
Debt Charges	-	-	-	
Cost Recovery	(431,451)	(174,500)	256,951	-147.25%
Transfer to Reserves	3,813,100	3,809,400	(3,700)	-0.10%
Transfer to/from Stabilization Reserve	285,419	-	(285,419)	Not budgeted
Transfer to Capital Reserves	240,000	-	(240,000)	Not budgeted
Total Expenditures	120,182,670	119,710,700	(471,970)	-0.39%
Total Net Budget	\$107,919,100	\$ 108,219,100	\$ 300,000	0.28%

Revenues

2022 revenues were \$772,000 (6.72%) more than budgeted.

Provincial Government funding was \$584,900 higher than budgeted. The increased funding was primarily related to expansion of responsibility related to the ICE program and the commencement of the STRT (Saskatchewan Trafficking Response Team) program.

Federal Government revenue was \$316,500 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 \$129,400 under budget. Criminal Record Check (CRC) revenue has not yet reached pre-Covid levels and comprises the majority of this decreased revenue.

Expenditures

Total expenditures were \$472,000 (0.39%) more than budgeted, including staff compensation which exceeded budget by \$1,664,400 (1.78%); expenditures other than staff compensation where spending was \$1,717,900 (1.44%) under budgeted amounts; and a transfer to the SPS Fiscal Stabilization Reserve in the amount of \$285,400, and to the Equipment and Technology Capital Reserve in the amount of \$240,000 which will be further explained below.

Staff Compensation

Staff compensation was over budget by \$1,664,400. The largest driver for this was overtime which was \$1,748,700 over budget offset by staff vacancies and other smaller staff compensation savings.

Overtime expenses include Recoverable Overtime, which was under budget by \$83,800 due to there being less Special Duty Overtime booked than had been budgeted for. This reduction in expense had a corresponding reduction in Special Duty Revenue. There was a further Recoverable Overtime expense related to conducting investigations for other police services. This totalled \$182,000 and would be offset by Revenue.

Of the total Overtime expense, Criminal Investigations incurred 40.9%, Patrol consumed 31.7% and Operational Support accounted for 26.9% with some small values elsewhere. Of the same total Overtime Expense, 60.5% related to callout and 28.4% related to overtime. Patrol, Criminal Investigations and Operational Support all contributed relatively similarly to the amount of OT beyond their respective budgets.

As noted, the largest portion of overtime expense was for call out. Call out generally occurs when Patrol members need to be called out to support activities beyond currently available resources; when CID must attend complex investigations; and, for our Operational Support units, such as the Tactical Services Unit or the Public Safety Unit.

Expenditures other than Staff Compensation

Expenditures other than staff compensation were under budget by \$1,717,900 for a variety of reasons.

SPS made several significant expenditures related to computer licensing and hardware expenses in 2021 that led to Technology & Equipment expenses being \$604,000 under budget in 2022.

The SPS had savings related to Travel and Training of \$286,800. This was likely due to a few courses still not being offered as police sector training continued to recover from Covid related delays.

Further savings were \$379,500 in Contract & Services expenses. Generally speaking, these were funds budgeted in the event specific items occurred that did not. This number is comprised of several small things that added up to a relatively large number when reviewed in aggregate.

Of note, fuel ended up \$183,400 over budget. Similar to the City, the spike in price of fuel was not foreseen when budgeting took place.

Transfer to the SPS Fiscal Stabilization Reserve

This is the second year the Fiscal Stabilization Reserve is in use. Transferring in \$285,400 will allow the SPS to better weather any unforeseen items in future years without having a negative impact on the greater City results in that future year.

Transfer to SPS Capital Reserves

The SPS has continuing and growing capital needs. Prior to the ability to transfer a portion of a year end surplus into capital reserves, the sole funding for capital reserves to fund capital projects was a budgeted contribution as part of each year's operating budget. The need for and utility of advancing technology and improved equipment have driven ever higher demands on the existing capital reserves. This, coupled with escalating prices of late, has placed a greater strain on the ability of the existing capital reserves to sustainably fund required capital projects. Being able to contribute this additional \$240,000 in 2022 will prove extremely helpful in bolstering the capital reserves to fund future projects.

Conclusion

The Saskatoon Police Service ended the year \$300,000 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 2022 has been summarized as follows:

Completed Projects

Four capital projects were completed in 2022 with expenditures totaling \$321,300. All projects were completed within budget and \$44,300 net funding will be returned to the Police reserves.

Cancelled Projects

Two capital projects were cancelled in 2022 with expenditures totaling \$119,000. The full \$119,000 will be returned to the Police reserves.

Active Projects

65 capital projects with approved funding of \$10,465,000 remain active. 33 projects were carried over from previous years. All projects are at varying stages of completion. One of them is expected to be over budget by \$500 while all the others are expected to be within budget. There are sufficient funds within the respective capital reserves to cover this over-expenditure.

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)