



SASKATOON _____
POLICE SERVICE

TO: Shirley Greyeyes, Chairperson
Board of Police Commissioners

FROM: Cameron McBride
Office of the Chief

DATE: 2024 September 10

SUBJECT: Board of Police Commissioners – 2025 Capital Budget Update

FILE #: 2018

ISSUE:

The 2025 Capital Plan that was approved in conjunction with the 2024 Capital Budget requires updating and subsequent approval. SPS has suggested some changes because information and needs have changed since the 2024 Capital Budget was prepared.

STRATEGIC PRIORITY:

This initiative assists the Saskatoon Police Service (SPS) in meeting the following goals as stated in the 2020-2024 Strategic Plan:

Partnerships - Work with all levels of government to develop solutions to address community safety, health and social challenges.

Innovation - Ensure sustainability by developing leading practices and maintaining an innovative service.

RECOMMENDATION:

That the Board reviews and approves the 2025 Capital Budget estimates and 2026-2029 Capital Plan and forwards to Saskatoon City Council for further consideration and approval.

DISCUSSION:

The Board of Police Commissioners shall submit to Council for approval, moneys required for the next year. (*The Police Act, 1990 s. 33(1)*). This applies not only to the operating budget but the capital budget as well.

Since the 2025 Capital Plan was approved with the 2024 Capital Budget as part of the City’s two-year budget, the 2025 Capital Plan is being updated and will become the 2025 Capital Budget.

Capital Budget Parameters

As the Board reviews the proposed capital budget, the following general points regarding SPS capital reserves and projects need to be considered:

- For a project to be approved as a capital project, the expenditure is expected to:
 - Involve the acquisition of a tangible asset;
 - Have a useful life of more than one year;
 - Involve a total project expenditure for purchase or construction of \$25,000 or more; and,
 - Be clearly definitive with starting and ending points.
 - Studies and investigations are not capital unless they are integrated into the acquisition or construction of a specific tangible asset.
 - All costs associated with studying and/or implementing a capital project or program are to be considered part of the capital costs of an approved project.
- Primarily, provision of funds to support the capital reserves are to come from the annual operating budget in an amount equal to a ten-year average cash flow requirement.
- A capital reserve may not be allowed to be in a deficit position, except as allowed within City of Saskatoon Bylaws.
 - The Capital Plan may show specific years as being in a deficit position. When budgeting for the specific year is completed, that plan will be adjusted to achieve a positive reserve balance by the year end of the capital budget.
 - The Capital Plan must show a positive balance at the end of ten years, to show current annual funding approved in the operating budget will fiscally achieve the plan by the end of ten years, without having a final balance that is deficient.

Like the City, the SPS budgets and plans for capital are based on a ten year time span. Also, consistent with the City, only the budget for the year and the next four years of plan are reported in the budgeting process.

The SPS utilizes four capital reserves to fund capital projects:

- Equipment & Technology
- Radio
- General
- Renovations

Changes from the Approved 2025 Capital Plan

The SPS undertook a review of the approved 2025 Capital Plan to see where savings could be achieved, where timing changes may be required and where additions may be needed.

A presentation will accompany the report at the Board meeting.

Appendix 1 is the proposed 2025 Capital Budget.

2025 Capital Budget Request

In synopsis, the 2025 Capital Budget changes requested are represented by the following:

Approved with 2024 Budget

Item	Amount
Equipment Replacement	\$801,000
Equipment Expansion	\$0
Technology Replacement	\$618,000
Technology Expansion	\$449,000
Radio Replacement	\$591,000
Fleet Additions - standard	\$263,000
Facilities Renovations	\$186,000
	\$2,908,000

New 2025 Capital Budget Request

Item	Amount
Equipment Replacement	\$871,000
Equipment Expansion	\$0
Technology Replacement	\$1,636,000
Technology Expansion	\$254,000
Radio Replacement	\$667,000
Fleet Additions - standard	\$826,000
Fleet Additions - 2025 Prov. funded pos.	\$766,000
Facilities Renovations	\$411,000
	\$5,431,000

The net result is an increase of \$2,523,000 (\$1,757,000 plus \$766,000 for vehicles for new Patrol members).

Generally, the largest changes relate to older infrastructure (SAN server, interview rooms’ audio) is reaching a critical point for replacement. Additionally, the CCTV camera replacement budget has doubled since costed out in 2024 due to most of the components doubling in price since last year.

In addition to projects more minor in nature, four marked cars have been added to the Fleet to keep up with our growing Service, and six marked cars are being added related to the recent Provincial funding announcement so the new officers will have vehicles when they are hired and deployed.

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The changes from the 2025 plan, approved in conjunction with the 2024 budget, are as shown here.

Item	Project - pos = inc./ (neg) = dec	Amount	Comment
Eq. Rep.	Special Teams - Equipment Replacement	\$40,000	EDU robot upgrade
Eq. Rep.	Roadside Screening Devices	\$30,000	Drug screening units
Tech. Rep.	A/V Replacement	(\$1,000)	savings
Tech. Rep.	IT Computer Eq. Replacement	\$82,000	Replaced more than though last year
Tech. Rep.	IT Interview Room Rec. System Replacement	\$61,000	aged out audio system
Tech. Rep.	IT Infrastructure Replacement	\$829,000	SAN is end of life
Tech. Rep.	CTSS In-Car Laptop Updates	\$47,000	new agreement
Tech. Rep.	Court Notification Digitization	(\$268,000)	not pursuing now
Tech. Rep.	IT Infrastructure Expansion	\$73,000	SAN expansion as Service grows
Radio Rep.	Radio Replacement	\$76,000	increased cost
Fleet Add.	Increasing marked fleet - standard	\$563,000	4 cars, increased price
Fleet Add.	Increasing marked fleet - new Patrol	\$766,000	6 cars, new Patrol members
Fac. Reno.	Facilities Renovations	\$40,000	making best use of space in HQ
Fac. Reno.	Furniture Replacement	(\$36,000)	can defer some replacements
Fac. Reno.	CCTV Replacement	\$221,000	price increase
		\$2,523,000	

The synopsis of the 2025 Capital Budget and 2026-2029 Capital Plan follows.

2025 Capital Budget/26-29 Capital Plan	2025 Budget	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2025-29 Total
EQUIPMENT REPLACEMENT	871,000	897,000	467,000	487,000	1,043,000	3,765,000
AIRCRAFT EQUIPMENT REPLACEMENT	-	824,000	-	190,000	-	1,014,000
EQUIPMENT EXPANSION	-	50,000	-	-	-	50,000
TECHNOLOGY REPLACEMENT	1,636,000	1,160,000	1,056,000	2,842,000	1,631,000	8,325,000
TECHNOLOGY EXPANSION	254,000	249,000	219,000	61,000	59,000	842,000
RADIO REPLACEMENTS	667,000	800,000	600,000	587,000	534,000	3,188,000
FLEET ADDITIONS	1,592,000	207,000	743,000	207,000	207,000	2,956,000
FACILITY RENOVATIONS	411,000	186,000	130,000	130,000	130,000	987,000
RADIO- CRT - not funded by SPS reserves	-	83,000	-	-	-	83,000
Total Police Projects	5,431,000	4,456,000	3,215,000	4,504,000	3,604,000	21,210,000

Capital Reserves are predicted to be as follow, based upon the current 2025 Capital Budget and 2026-2029 Capital Plan, with contributions to capital reserves from the Board operating budget increasing from 2025 levels by \$765,600:

2025 Capital Budget Proposal	Yr1	Yr 2	Yr 3	Yr 4	Yr 5
	2025	2026	2027	2028	2029
FORECASTED CLOSING BALANCE:					
Equip. & Technology	-81,916	20,184	-1,035,716	-802,616	-1,469,516
Radio	-95	-95	-95	-95	-95
General Capital	-66	-66	-66	-66	-66
Renovations	-144	-144	-144	-144	-144
Total Closing Balance	\$ (82,222)	\$ 19,878	\$ (1,036,022)	\$ (802,922)	\$ (1,469,822)

Please note the credit, or negative balances, are good and the positive balances, denoted in red, portray the reserves being overspent with the current plan in place.

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The closing balances shown here indicate there are more than sufficient funds within the reserves for the proposed capital projects in 2025 and 2027 - 2029 and that the 2026 Capital Plan exceeds the anticipated reserves. To be clear, these projections include the additional contribution of \$765,600 remaining in place through 2026 – 2029. All aspects of the Capital Budget, including contributions to capital reserves from the operating budget and intended projects and project costs, will be reviewed in conjunction with the 2026 budget process.

2025 Capital Budget Final Commentary

As new technologies and equipment are developed, having a robust capital reserve balance available to embrace those opportunities is important. The status of future capital reserves appear relatively robust with the accelerated contribution to capital reserves from the 2025 Operating Budget.

CONCLUSION:

The SPS is asking the Board to consider the request for approval for 2025 capital projects with an increased value of \$2,523,000 versus the 2025 capital plan approved in conjunction with the 2024 Capital Budget. We also ask the Board to note the 2026-2029 Capital Plan has increased by a value of \$1,350,000 and that adjustments to projects and/or additional funding will be contemplated when the plan becomes a budget request in conjunction with the 2026 Capital Budget process. Should the Board approve this request, please forward this report to City Council for deliberation during the City Council 2025 Budget Approval Process.

ATTACHMENT:

1. Appendix 1 – Revised 2025 Capital Budget - Final

Written by:	Earl Warwick, Director of Finance and Asset Management
Reviewed by:	Dave Hays, Deputy Chief, Support Services
Approved/submitted by:	Cameron McBride, Chief of Police