



INFORMATION REPORT

TO: The Halifax Board of Police Commissioners

FROM: Chief Dan Kinsella, Halifax Regional Police

DATE: April 19, 2021

SUBJECT: **Halifax Regional Police 2020/21 - 3rd Quarter Financial Update**

Background:

Halifax Regional Police's operating budget is approved annually by the Board of Police Commissioners and Halifax Regional Council. For the 2020/21 fiscal year, the Halifax Regional Police was approved an operating budget of \$86,275,100.

At the end of the 3rd quarter (December 31, 2021) of the 2020/21 fiscal year, Halifax Regional Police is forecasting to utilize \$85,430,000 of the approved operating budget, resulting in a net operating budget surplus of \$845,100.

The following details are provided to identify adjustments in forecasted revenues/recoveries and expense areas that contribute to the 3rd quarter forecasted surplus of \$845,100.

(Note that the forecasted items below that are highlighted in blue are believed to be as a result of the impacted from the COVID 9 pandemic)

1. Increase in net revenue/cost recoveries of \$292,500 including:

Decrease in Criminal Record Checks through customer service counters,	(150,000)
Decrease in Extra Duty assignment;	(220,000)
Decrease in net secondments to other policing agencies/government;	(119,300)
Decrease in Summary Offence Ticket Fee Revenue;	(33,400)
Increase in Workers' Compensation Board (WCB) recovery; (not initially included in approved budget)	519,800
Increase in Provincial 911 Call Transfer recovery;	149,000
Increase in Criminal Record Checks through Back Check online portal;	139,800
Increase as a result of adjustments in miscellaneous revenue;	6,600
Total Forecasted Increase in Revenue/Recoveries	292,500

2. Savings in Compensation related items of \$1,549,200 including:

Decrease in Court Time;	591,800
Decrease in Extra Duty assignments; (offset by decrease in recoveries (int. & ext.))	384,900
Increase in attrition, turnover, unpaid leave, pre-retirement, etc.	289,700
Decrease in Workers' Compensation; (rates in the wage model appear to have initially been overstated)	137,700
Decrease in Retirement Incentive; (rates in the wage model appear to have initially been overstated)	118,100
Decrease in On the Job injury (OJI) treatment costs;	24,400
Decrease as a result of adjustments in miscellaneous compensation related items;	2,600
Total Forecasted Savings in Compensation	1,549,200

3. Deficit in all other operating areas of (\$996,600) including:

Increase in Commissionaires of Nova Scotia contract;	(445,700)
Increase in legal costs	(365,400)
Decrease in the credit for internal Extra Duty assignments;	(217,400)
Increase in equipment & communications to address additional operational requirements	(186,100)
Increase in Cleaning/Sanitary Supplies and PPE;	(80,000)
Increase in Consulting Fees related to new Police Headquarters study;	(45,200)
Increase in Office costs related to technology and equipment	(32,500)
Decrease in Out of Town Travel and associated policing costs;	276,800
Decrease in Training;	102,200
Increase as a result of adjustments in miscellaneous non-compensation related items;	(3,300)
Total Forecasted Deficit in all other operating areas	(996,600)

Summary of key factors driving surplus:

- Items above that are highlighted in blue and are believed to be as a result of the impact from the COVID 19 pandemic total \$254,100 in forecasted net savings and contributes to 30% of the overall forecasted surplus.
- Recoveries from WCB payments of \$519,800 (identified above) in section 2. contribute to 61% of the overall forecasted surplus.

Board of Police Commissioners budget summary:

The Board of Police Commissioners also requested quarterly updates on the Board of Police Commissioners budget that is factored into the overall Halifax Regional Police financials above, and identified specifically below:

Budget Item	Budget	Spent as of 2020/12/31	Forecast as of 2020/12/31
Membership Dues	2,400	4,373	5,000
Conferences/Workshops	0	750	2,500
Travel – Local	1,000	0	1,000
Travel – Out of Town	8,500	0	0
Meals	2,000	0	0
Total	13,900	5,123	8,500

For the 2020/21 fiscal year, the BoPC was approved an Operating Budget of \$13,900.

As of the end of 3rd quarter (December 31, 2021) the Board of Police Commissioners is forecasting to utilize \$8,500, resulting in a net operating budget surplus of \$5,400.

The following details are provided to identify what items contribute to the 3rd quarter forecasted surplus of \$5,400.

Savings in operating areas of \$5,400 including:

Increase in Membership Dues	(2,600)
Increase in Conferences/Workshops	(2,500)
Decrease in Out of Town Travel	8,500
Decrease in Meals	2,000
Total Forecasted Savings	5,400