



## INFORMATION REPORT

**TO:** The Halifax Board of Police Commissioners

**FROM:** Chief Dan Kinsella, Halifax Regional Police

**DATE:** July 5, 2023

**SUBJECT:** **Halifax Regional Police 2022/23 – 4<sup>th</sup> 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 2022/23 fiscal year, the Halifax Regional Police was approved an operating budget of \$89,195,000.

At the end of the fourth quarter (March 31, 2023) of the 2022/23 fiscal year, Halifax Regional Police reported \$89,271,300 in net operating expenditures, resulting in a new operating budget deficit of \$76,300.

The following details are provided to identify variances in revenues/recoveries and expense areas that contribute to the overall deficit of \$76,300.

**1. Revenue/Cost Recovery**

Increased Extra Duty program revenue.	739,500
Increased Provincial call-taking transfers due to increase call volumes, etc.;	241,200
Cadet Program tuition fees used to offset program operating costs;	160,400
Additional recoveries associated with secondment agreements;	133,100
Increase in Criminal record checks through Back Check online portal;	123,200
Airport Security unit contract adjustments for previous year/increase rates for current year;	52,200
Decrease in Workers' Compensation Board (WCB) recoveries;	(283,600)
Decrease in Criminal record checks fee revenue through HRP customer service counters;	(120,600)
Decrease in Summary Offence Ticket service fee revenue;	(45,700)
<b>Total increase in Revenue/Recovery</b>	<b>999,700</b>

**2. Compensation and Benefits**

Increased overtime needs in Prisoner Care, IES, Criminal Investigations and Patrol;	(2,210,900)
Increased Extra Duty program costs;	(700,400)
Attrition, turnover, unpaid leave, etc. resulting in net savings in regular salaries and benefits;	1,605,600
Savings from transfer of staff to HRM Finance & Asset Management (FAM) business unit;	420,900
Continued pandemic restrictions impacting court system continues to slow down court appearances, resulting in further savings in court costs;	375,300
Decline in on the job injury treatment costs covered by Halifax Regional Police;	82,100
<b>Total increase in Compensation</b>	<b>(427,400)</b>

Halifax Regional Police Association (HRPA) members 2022/23 fiscal year compensation increases with the ratification of the new collective agreement on February 16, 2022, total \$5,178,300. Funding received through HRM Other Fiscal Services internal transfer, where funds for pending collective agreement adjustments are budgeted.

CUPE 4814 (Crossing Guards) members 2022/23 fiscal year compensation increases with the ratification of the new collective agreement on December 22, 2021, total \$319,800. Funding received through HRM Other Fiscal Services internal transfer, where funds for pending collective agreement adjustments are budgeted.

### 3. Other Operating Areas

Increased legal fees;	(314,400)
Increased training/conference costs as training and conference schedules continue to be re-established to pre-covid pandemic level;	(220,000)
Increased travel costs associated with training, conferences, investigations, meetings, etc.	(176,700)
Cadet Program operating costs offset by tuition fees identified in Revenue/Cost Recovery;	(160,400)
Increased office related costs including software & licensing renewals, digital storage devices, courier fees, etc.;	(134,700)
Increased Human Resources related costs incl. experience officer recruiting, medical assessments, wellness checks, and Employee Assistance Program related treatments, etc.;	(110,200)
Increased Extra Duty assignments related to HRM organized events;	262,600
Net decrease in specialized unit equipment and communication costs, offset by uniform and patrol supplies operational requirements/inflationary cost increases;	217,900
Net impact of other non-compensation adjustments;	(12,700)
<b>Total increase in Other Operating Areas</b>	<b>(648,600)</b>

### Board of Police Commissioners Budget Summary:

The Board of Police Commissioners (BoPC) 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 2023/03/31	Savings/(Deficit)
Legal Fees	0	26,400	(26,400)
Membership Dues	2,400	6,000	(3,600)
Conferences/Workshops	0	2,300	(2,300)
Travel – Local	1,000	100	900
Travel – Out of Town	8,500	4,300	4,200
Meals	2,000	0	2,000
Committee Expenses	0	700	(700)
<b>Total</b>	<b>13,900</b>	<b>39,800</b>	<b>(25,900)</b>

For the 2022/23 fiscal year, the BoPC was approved an Operating Budget of \$13,900.

As of the end of fourth quarter (March 31, 2023) the Board of Police Commissioners reported \$39,800 in net operating expenditures, resulting in a net operating budget deficit of \$25,900. The over expenditures are primarily a result of unforeseen legal fees totalling \$26,400 incurred to provide the Board of Police Commissioners with independent legal services when required.